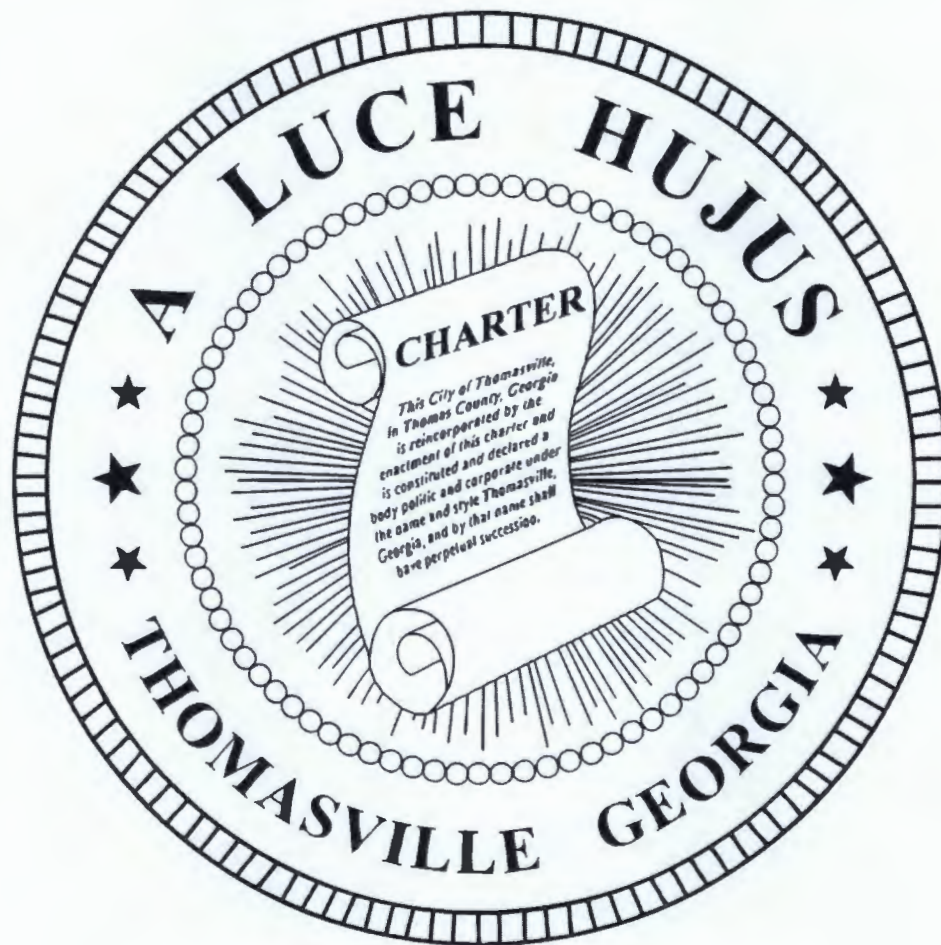
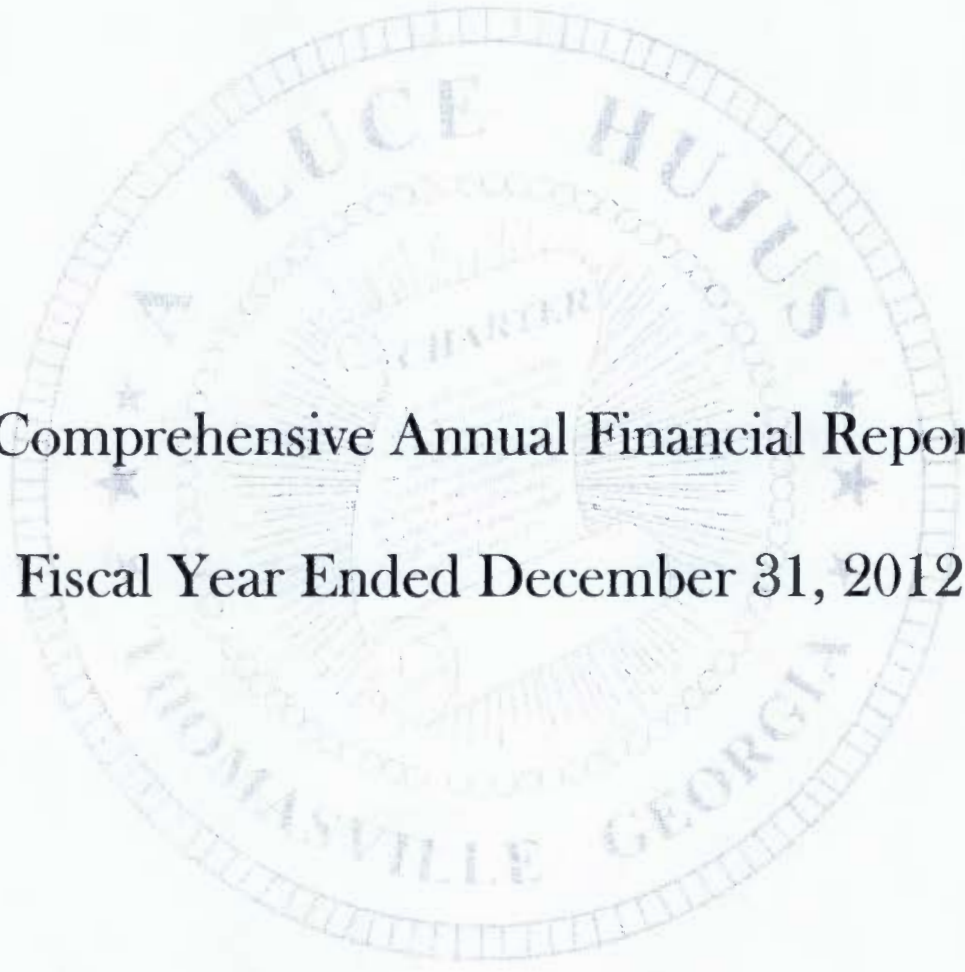


City of *Thomasville* State of Georgia



Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2012

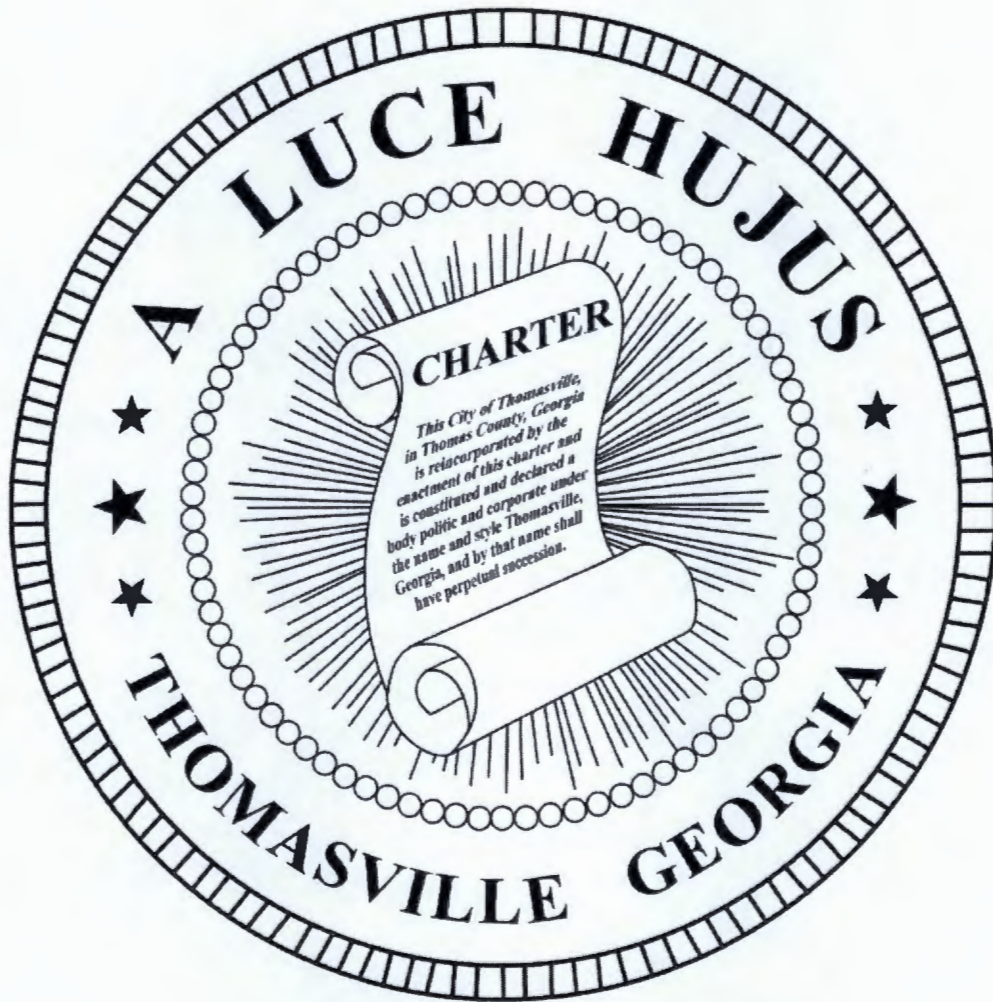
City of Thomasville State of Georgia



Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2012

Prepared by Financial Services
City of Thomasville

Introductory Section



CITY OF THOMASVILLE, GEORGIA
Comprehensive Annual Financial Report
for the year ended December 31, 2012

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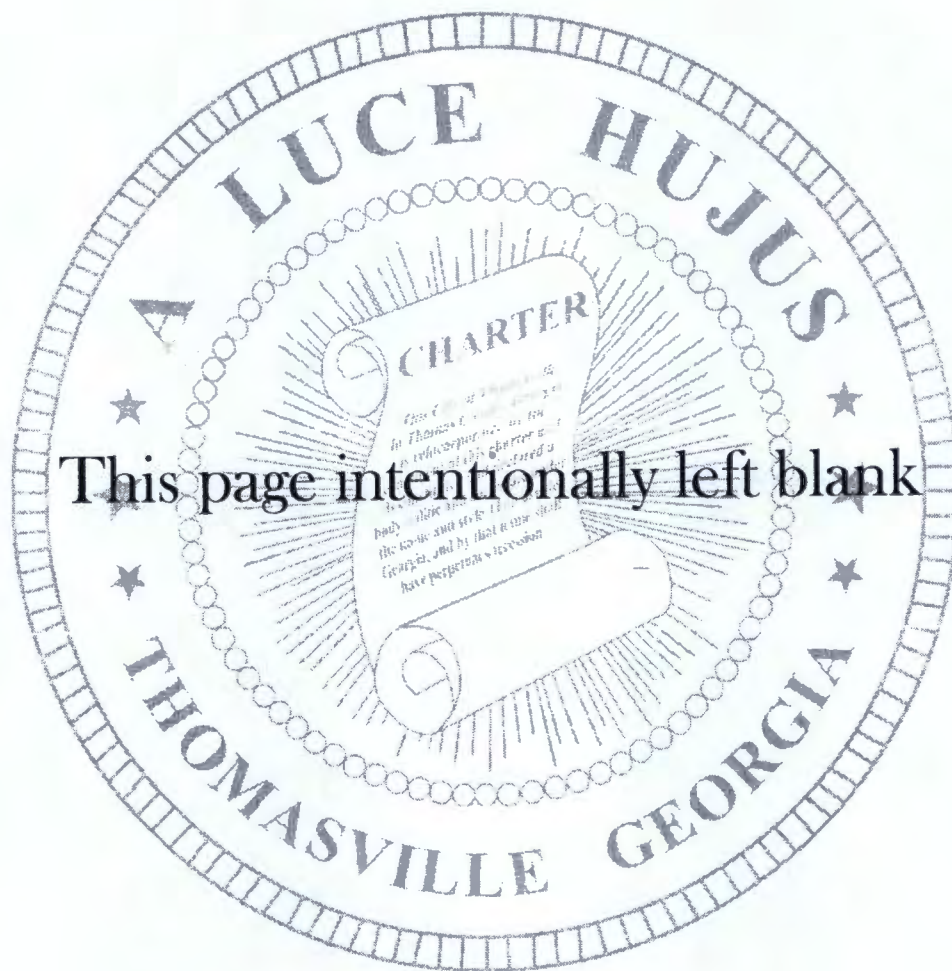
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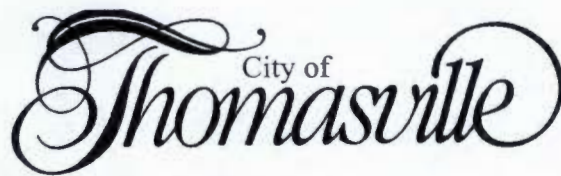
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P.O. Box 1540 • Thomasville, GA 31799 • 229-227-7001 • www.thomasville.org

June 28, 2013

Honorable Mayor
Members of the City Council
Citizens of the City of Thomasville, Georgia

Ladies and Gentlemen:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Thomasville, Georgia, for the fiscal year ended December 31, 2012.

Management assumes full responsibility for the completeness and reliability of the information presented in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatements.

Lanigan & Associates, P.C., a firm of licensed certified public accountants, have audited the City's financial statements. The independent audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. Lanigan & Associates, P.C. have issued an unqualified opinion on the City of Thomasville's financial statements for the fiscal year ended December 31, 2012. The independent auditors' report is presented as the first component of the financial section of this report.

As a recipient of substantial Federal financial awards, the City is often required to undergo a "Single Audit" specifically designed to meet the needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to obtain reasonable assurance that the City was in compliance, in all material respects, with the requirements of laws, regulations, contracts, and grants applicable to each of its major Federal programs. Given the aggregate amount of expenditures under such programs exceeded \$500,000 for the fiscal year ended December 31, 2012. Lanigan & Associates, P.C. has included their findings in their report.

Management has provided a narrative introduction, overview, and analysis of the basic financial statements in the form of Management's Discussion and Analysis (MD&A). MD&A complement this letter of transmittal and should be read in conjunction with it. The City's MD&A immediately follows the independent auditors' report.

Profile of the Government

The City of Thomasville was originally incorporated by an act of the General Assembly of Georgia in 1826. The City's first charter was approved in 1831, and new charters were approved in 1889, 1943, and 1990. The latest charter became effective July 1, 1990. The City operates under a Council-Manager form of government. The City Council is made up of five Council members, two elected from each of the City's two Districts and one elected at large. Council members serve four-year terms, and the Mayor, appointed by the Council, serves a two-year term.

The City provides a range of both traditional governmental services and utilities services to over 30,000 residents, with approximately 20,000 citizens in Thomasville and 10,000 in unincorporated Thomas County. Traditional governmental services include general administration, police and fire protection, recreation, and economic development, as well as the construction and maintenance of highways and streets. The City's utilities services include electricity, water, sewer, sanitation, natural gas, telecommunications, telephony, cable television and internet access. The City also operates the community's golf course, municipal auditorium, regional airport and Subtitle D landfill. The City provides support to these various operations through its building and fleet maintenance, customer and marketing services, monitoring, financial and engineering services and information systems operations. In addition to administering its employee pension program, the City reserves funds for its health, dental, workers' compensation claims and policy deductibles, managing these risks internally.

As a part of its overall community and economic development initiatives, the City works through the Downtown Development Authority (DDA), the Destination Thomasville Tourism Authority (DTTA), and the Thomasville Payroll Development Authority (PDA). The financial statements of these component units are included in the government-wide statements of this report. The criteria for selecting these component units for inclusion in this report were control for board appointment, financial accountability, legally separate entities, and imposition of will by modifying/approving budget or rates.

The annual budget serves as the foundation for the City of Thomasville's financial planning and control. During the fall, all departments of the City are required to submit requests for appropriation to the Financial Services department. Under the oversight of the City Manager, Financial Services uses the aforementioned requests as the starting point for developing a proposed budget. The City Manager and the Chief Financial Officer then present the proposed budget to the City Council for review. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 31st, the close of the City's fiscal year.

The appropriated budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations within a department. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General fund, this comparison is presented as part of the basic financial statements for the governmental funds. For governmental funds, other than the General fund, this comparison is presented in the governmental fund subsection of this report.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Thomasville operates.

Local economy. From a rich history of agricultural diversity and tourism perpetuated through the "Grand Hotel" era, to the solid presence of viable and contemporary industries, Thomasville has long enjoyed a tradition of cultural and economic diversity. The varied economic and industrial base in Thomasville flourishes due to the availability of labor, land and low cost utilities. While the maximum labor force in any one private industry totals less than seven hundred employees, a number of organizations employ thousands of workers from a six county area. John D. Archbold Memorial Hospital, a not-for-profit hospital located in the City, serves as the flagship facility of Archbold Medical Center, a regional healthcare delivery system in Southwest Georgia. The hospital, Thomas County School System, and Southwestern State Hospital continue to lead the City as top employers, with approximately 2080, 750, and 691 employees, respectively.

Thomasville's diverse economy has been built through a history of local and regional partnerships. In its continuing economic development efforts, the City works with its component units to bring in new industries, support the expansion of existing industries, and continue the development of its downtown. With 2080 local jobs, Archbold Hospital plays a major role in the local economy, so the opening of the Archbold North Tower in 2012 was significant. This eight story 247,000 square foot addition includes a larger emergency room, an expanded intensive care unit, and a surgical department with additional room to accommodate new medical technologies. This \$110 million expansion is said to serve as the foundation for healthcare in the community for the next fifty years. In addition to Archbold's expansion in 2012, FPL Foods of Augusta, Georgia, bought the former AFA Foods meat processing facility and also announced plans for expansion in Thomasville. Another economic development success came with the location of Alltech, an animal feed supplement company, with plans to invest \$10 million and create 22 new jobs in the Rose City Industrial Park.

Serving as a model for successful downtown development, Thomasville's downtown is an award winning Great American Main Street City. The downtown area is a thriving center of retail shops, restaurants, professional offices, and downtown living. The City continued its efforts to invest in downtown in 2012 through a Transportation Enhancement (TE) project to revitalize Madison Street. The Madison Street TE project included installing sidewalk

enhancements and other improvements mirroring those on Thomasville's historic Broad Street. This project was funded in part by two TE grants, totaling approximately \$1 million.

In addition to economic and downtown development, the City continues to focus on community development and has increased efforts to encourage the development of affordable housing along with the creation of safer, more livable neighborhoods. The redevelopment of the Victoria Place neighborhood, a project that began in 2009, continued in 2012. The redevelopment of this neighborhood, located in an area adjacent to the City's downtown, includes the reconstruction of existing roads, the construction of a section of multi-use trail, the addition of sidewalks and streetlights, the purchase and demolition of blighted and abandoned properties, the construction of new housing, and the renovation of existing housing.

Long-term financial planning. During the late 1990's, the deregulation of the electric industry appeared imminent and the City began to take steps towards diversifying its revenue sources and developing ones to replace electric revenues that could potentially be lost in the deregulated environment. The City invested in telecommunications infrastructure, built partnerships with sister cities to provide contractual services and began the development of its proprietary billing software for use by other utilities. As communities across the nation are competing for stability and economic growth, the City continues to evaluate the efficiencies of its operations in order to deliver high quality municipal services at the lowest possible cost while encouraging innovation to further develop its revenue sources through the expansion of its business units.

During 2012, the City continued its delivery of municipal billing and financial software services, in addition to its information technology services, to a number of Georgia cities within the region. A total of four cities now contract with the City of Thomasville for various components of its utility billing, payroll, and financial software and support services. Efforts to enhance the utility billing software are continuing and a user group has been established to provide software users opportunities for networking, best practice adoption and input into product enhancement.

The year 2012 was marked with a number of construction and renovation projects. The City's Subtitle D Landfill was the site of two major projects. In an environmental initiative, the City started the mining project moving closed landfill to create space for the expansion of the Construction and Debris landfill. The City also set up an education building at the Landfill to teach environmental issues to the public and area children. The City has begun converting its fleet to Compressed Natural Gas, beginning with the sanitation trucks. During 2012 the City built a slow fill CNG station. Additionally, the City also undertook a number of infrastructure improvement projects including an upgrade to Automated Meter Readers for Electric and the Madison Street Transportation Enhancement project. During 2012, the City completed the design and engineering phases of a multi-use trail and improvements to the water and sewer infrastructure that will be constructed during 2013 and 2014.

The City recognizes the need and accepts the challenge of changing the way it operates and delivers its services. It is the City's belief that traditional governmental services do not have to be delivered in a traditional manner. It is the goal of the City Council and of management to remain fiscally viable while delivering services in a manner unparalleled in local government.

Cash management policies and practices. Idle funds are invested primarily in obligations of the U. S. Treasury and other U. S. Government instruments, bonds of the state and its instrumentality, municipal competitive trusts, certificates of deposit with commercial banks, and repurchase agreements collateralized by U. S. obligations. The investment philosophy has been to maintain a level of funds sufficient to meet the needs of day-to-day operations in short-term, liquid instruments and to invest surplus funds in the aforementioned instruments yielding the highest rate of return, considering current and anticipated future market conditions and the need for liquidity in those funds.

The City pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the City's investments. Negative balances incurred in pooled cash at year end are treated as interfund receivables of the receiving funds and interfund payables of the deficit funds. The composition of additional cash and investments and their related fair values are presented in Note 3 of Notes to the Financial Statements.

Risk management. The City is self-insured for worker's compensation, unemployment compensation, medical and dental benefits. The City has stop loss insurance policies from a private insurance company for worker's compensation claims in excess of \$500,000. For medical claims, an individual stop loss threshold and a one-time aggregate threshold is maintained in the amount of \$110,000 and \$105,000, respectively.

Risk prevention programs for workers' compensation and general liability are continuously monitored and reviewed for improvement by the City's risk management committee. Other City insurance includes property insurance, airport liability insurance, fiber optics liability insurance, public official liability insurance, vehicle insurance, and employee bonding which are covered through private carriers. Additional information on the City's risk management activity can be found in Note 4 of Notes to the Financial Statements.

Pension and other post-employment benefits. The City of Thomasville Public Employee Retirement System (PERS) covers full-time employees of the City of Thomasville and its related agencies. The PERS is the administrator of a single-employer defined benefit pension plan that was established by the City in accordance with the City Charter and Georgia State Statutes. Unless otherwise indicated, PERS information is provided as of the latest actuarial review, January 1, 2013. Actuarial reviews are performed annually.

The Defined Contribution Plan became effective on June 1, 2000. All employees hired after June 1, 2000 are eligible to participate in the plan. The Defined Contribution Plan is administered by a third party.

The City also provides post-retirement health and dental care benefits for certain retirees and their dependents. Expenditures for post-retirement health care benefits are recognized as retirees report claims and include a provision for estimated claims incurred but not yet reported to the City. Additional information on the City's pension and post-employment benefits can be found in Note 4 of Notes to the Financial Statements.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Thomasville for its comprehensive annual financial report for the fiscal year ended December 31, 2011. This was the twelfth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the dedicated service of the entire staff of Financial Services, Administration and various support departments. Credit must also be given to the Mayor and to the City Council for their unfailing support and commitment to maintaining the highest standards of professionalism in the progressive management of the financial operations of the City of Thomasville.

Respectfully submitted,



Steve Sykes
City Manager/Utilities Superintendent



Michelle Juarez
Chief Financial Officer

**City of Thomasville, Georgia
Listing of Principal City Officials
As of December 31, 2012**

ELECTED OFFICIALS

Mayor – Council Member	Max Beverly
Mayor Pro-Tem – Council Member	Greg Hobbs
Council Member	Roy Campbell
Council Member	David Lewis
Council Member	Jay Flowers

APPOINTED OFFICIALS

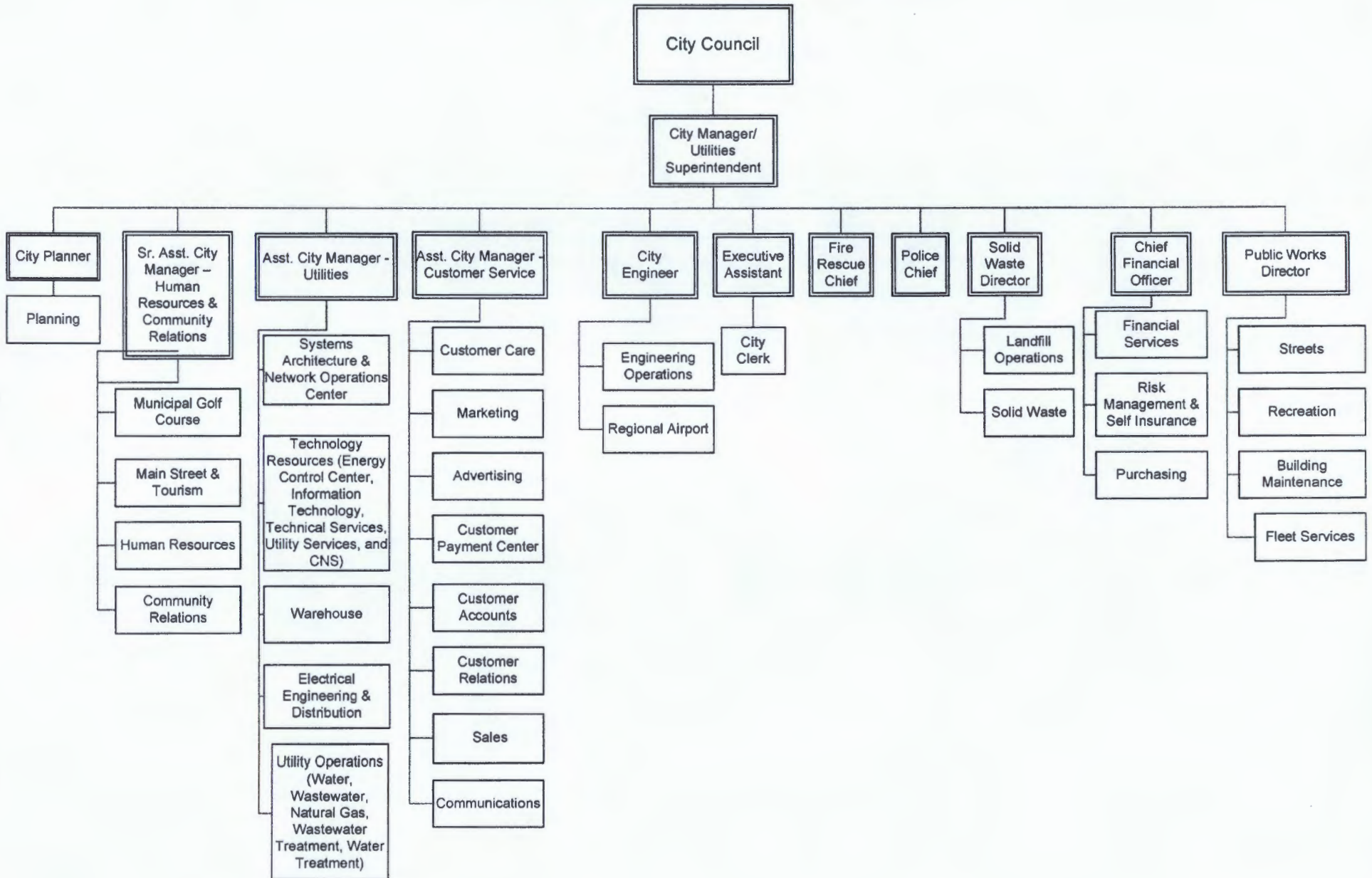
City Manager/Utilities Superintendent	Steve Sykes
City Attorney	Will Sanders
Municipal Court Judge	Mark Mitchell

DEPARTMENT HEADS

Sr. Assistant City Manager/HR & Community Relations	Kha McDonald
Assistant City Manager/Customer Service	Lynn Williams
Assistant City Manager/Utilities	Don Atkinson
Chief Financial Officer	Michelle Juarez
City Engineer	Jim Petrak
City Planner	Lee Chastain
Fire Rescue Chief	Bobby Hart
Police Chief	Ellis Jackson
Public Works Director	Mike Atkinson
Director of Solid Waste/Landfill	Nate Tyler
Director of Utility Operations	Bill Gerber
Marketing Director	Sheryl Sealy
Executive Director of Main Street/Tourism	Arline Hampton
Technology Resources Director	Chris White
Director of Electric and Engineering Operations	Bruce Whittington
Municipal Airport Manager	Mike Woodham
Network Operations Manager	Marvin Golden
Golf Course Director	Mike Owens
Director of Customer Services	Karis Mills

City of Thomasville

Organization Chart as of December 31, 2012



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Thomasville
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

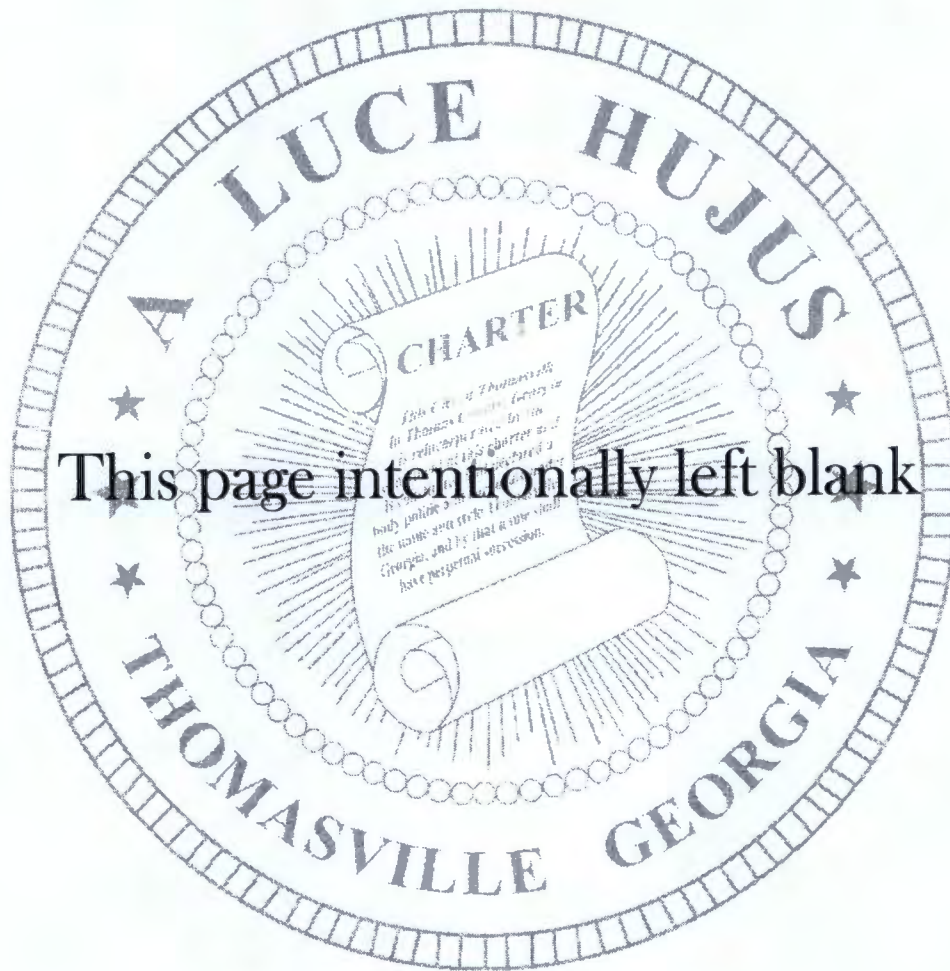


Christopher P. Moirice

President

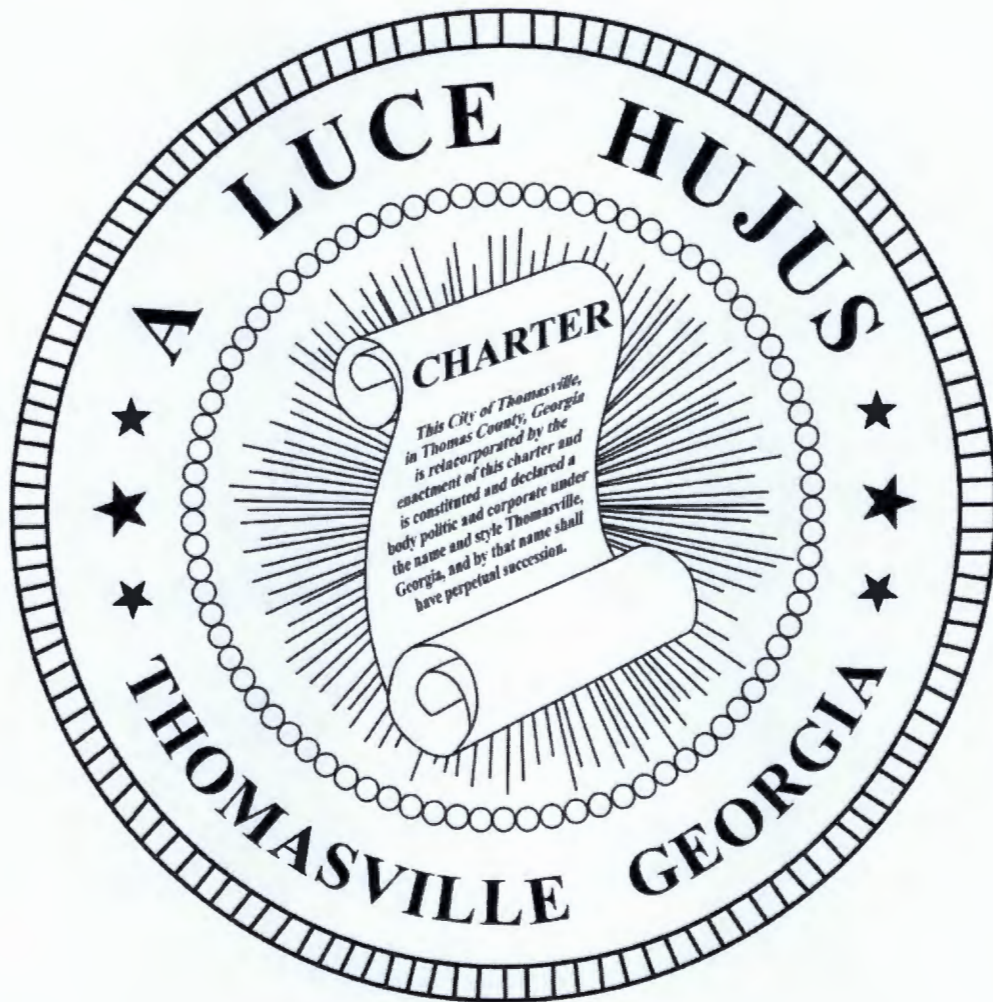
Jeffrey R. Enen

Executive Director



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Financial Section



LANIGAN & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.laniganpcpa.com

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the City Council
Thomasville, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Thomasville, Georgia (the "City"), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control, relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

MEMBERS OF: THE AMERICAN INSTITUTE OF CPA'S PRIVATE COMPANIES PRACTICE SECTION
THE GEORGIA SOCIETY OF CPA'S, THE FLORIDA INSTITUTE OF CPA'S

314 Gordon Avenue, Thomasville, GA 31792
2630 Centennial Place, Suite 1, Tallahassee, FL 32308
3353 Peachtree Road NE, Suite 545, Atlanta, GA 30326

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Thomasville, Georgia, as of December 31, 2012, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of employer contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Thomasville, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2013 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Lonigan & Associate, P.C.

Thomasville, Georgia
June 20, 2013

Management's Discussion and Analysis

As management of the City of Thomasville, Georgia (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-6 of this report.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$144,272,244 (net assets). Of this amount, \$18,526,748 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City of Thomasville's total net assets increased by \$532,592. This increase is primarily attributable to the City's business-type activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$4,505,793 representing an increase of \$1,564,308 in comparison with the prior year. This net increase was attributable to operating transfers from business-type funds to governmental funds.
- The City of Thomasville's total debt decreased by \$531,801 during the current fiscal year. This net decrease was due to the fact that the aggregate reduction of principal amounts outstanding exceeded the total amount of new borrowings, during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Thomasville's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by services, taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general administration, public safety, highways and streets, economic development and culture and recreation. The business-type activities of the City include the auditorium, airport, cable television system, electric system, golf course, landfill, natural gas system, internet services, sanitation operations, telecommunication services, telephony services, and water and sewer system.

The government-wide financial statements include not only the City of Thomasville itself (known as the primary government), but also a Downtown Development Authority (DDA), a Destination Thomasville Tourism Authority (DTTA) and a Payroll Development Authority (PDA) for which the City is financially accountable, though each entity is legally separate. Financial information for these component units is reported separately from the financial information presented for the primary government.

The government-wide financial statements can be found on pages 24-27 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and the aggregated SPLOST fund, both of which are considered to be major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these

nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general and SPLOST funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 29-31 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its auditorium, airport, cable television system, electric system, golf course, landfill, natural gas system, internet services, sanitation operations, telecommunication services, telephony services and water and sewer system. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its building and fleet maintenance, customer and marketing services, purchasing and engineering services, financial services, human resources, self-insurance and information systems. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for cable television, electric, landfill and water and sewer operations which are considered to be major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor business-type and internal service funds are provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 32-36 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 37-38 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 39-91 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on page 92 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 95-119 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Thomasville, assets exceeded liabilities by \$144,272,244 at the close of the most recent fiscal year.

By far the largest portion of the City's net assets (66%) reflects its investment in capital assets (e.g., land, buildings and improvements, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Thomasville, Georgia's Net Assets

(amounts expressed in thousands)

	Governmental Activities		Business Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 4,036	\$ 2,841	\$ 56,763	\$ 58,887	\$ 60,799	\$ 61,728
Capital assets	26,071	25,599	91,050	88,135	117,121	113,734
Total assets	30,107	28,440	147,813	147,022	177,920	175,462
Long-term liabilities outstanding	6,012	5,992	17,703	16,464	23,715	22,456
Other liabilities	2,805	2,814	7,127	6,452	9,932	9,266
Total liabilities	8,817	8,806	24,830	22,916	33,647	31,722
Net assets:						
Invested in capital assets,						
net of related debt	23,544	22,193	77,589	75,652	101,133	97,845
Restricted	6,160	4,269	18,452	17,363	24,612	21,632
Unrestricted	-8,415	-6,828	26,942	31,091	18,527	24,263
Total net assets	\$ 21,290	\$ 19,632	\$ 122,982	\$ 124,106	\$ 144,272	\$ 143,738

An additional portion of the City's net assets (17.0%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$18,526,748 represents those net assets which may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Thomasville is able to report positive balances in all three categories of net assets for the government as a whole, as well as for its separate governmental and business-type activities, with the exception of the unrestricted net assets category of its governmental activities. It should be noted that the deficit balance of the governmental activities' unrestricted net assets increased by \$1,586,830, during the current year, in light of the City's increased investment in capital assets, net of related debt. The net assets of governmental activities, inclusive of the aforementioned deficit balance, totaled \$21,289,673, at December 31, 2012.

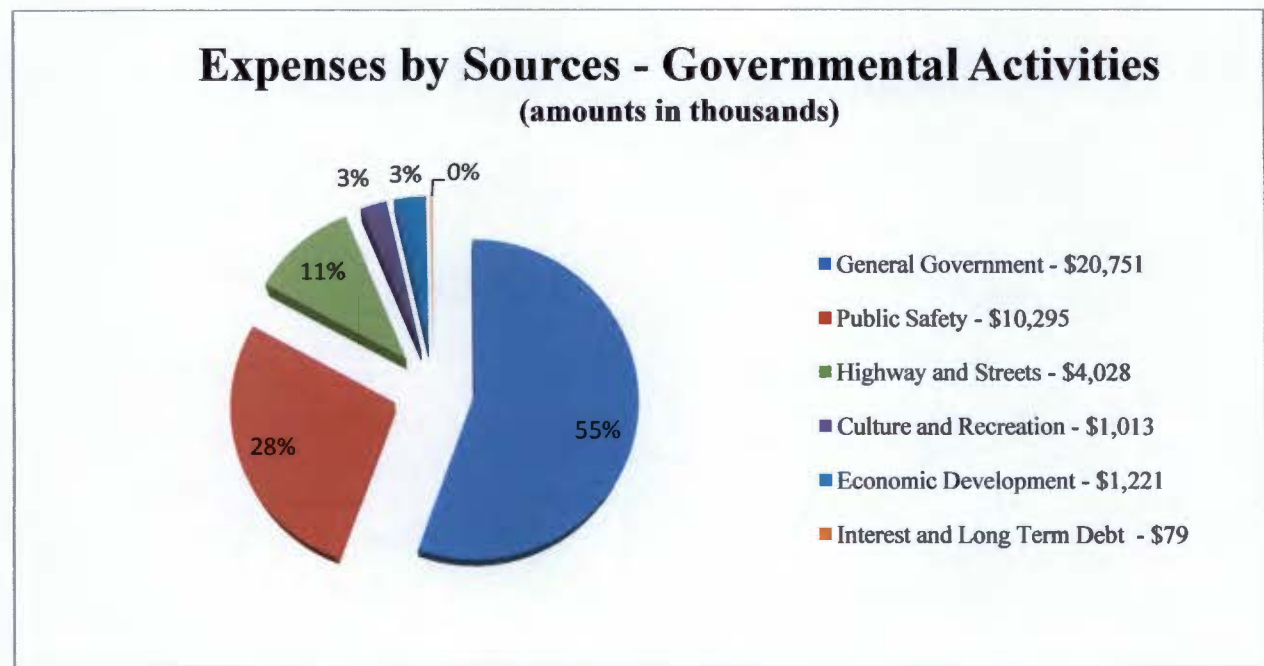
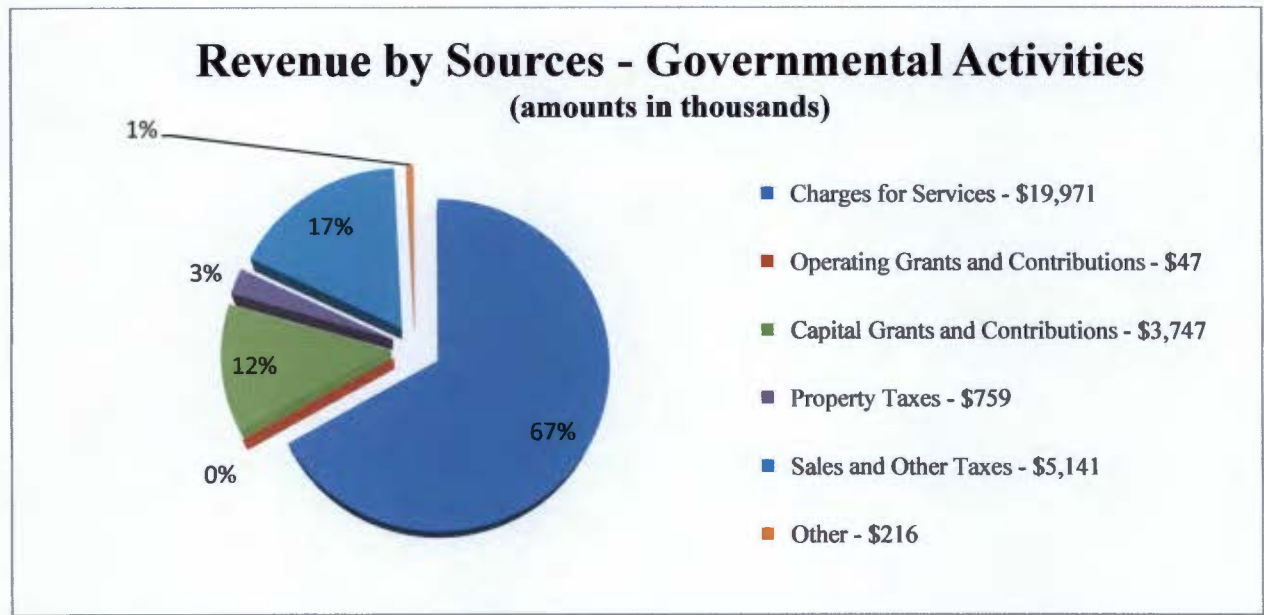
The City of Thomasville experienced an increase of \$2,980,220 in restricted net assets primarily due to collections resulting from SPLOST referendum, the effective date of which was January 1, 2007. Related assets are restricted for those projects designated by the referendum and pertain to the City's governmental activities. The remaining increase in restricted assets, during the current year, resulted from additional restrictions on certain assets associated with future capital expansion for the City's business-type activities.

The City of Thomasville's net assets increased \$532,592 during the current fiscal year. The governmental activities increased \$1,656,135 and the City's business-type activities decreased by \$1,123,543. The key elements of the aforementioned changes in net assets are presented as follows:

City of Thomasville, Georgia's Changes in Net Assets
(amounts expressed in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Charges for services	\$ 19,971	\$ 19,353	\$ 93,749	\$ 90,590	\$ 113,720	\$ 109,943
Operating grants and contributions	47	67			47	67
Capital grants and contributions	3,747	3,033		97	3,747	3,130
General revenues:					0	0
Property taxes	759	1,138			759	1,138
Other taxes	5,141	5,521			5,141	5,521
Other	216	145	613		829	145
Total revenues	<u>29,881</u>	<u>29,257</u>	<u>94,362</u>	<u>90,687</u>	<u>124,243</u>	<u>119,944</u>
Expenses:						
General government	20,751	19,834		0	20,751	19,834
Public safety	10,295	9,979		0	10,295	9,979
Highway and streets	4,028	3,925		0	4,028	3,925
Economic development	1013	1,047		0	1013	1,047
Culture and recreation	1,221	1,286		0	1,221	1,286
Interest on long-term debt	79	84		0	79	84
Auditorium		0	249	259	249	259
Airport		0	2,582	2,681	2,582	2,681
Community network services		0	7,486	7,369	7,486	7,369
Electric		0	46,997	46,656	46,997	46,656
Golf course		0	993	975	993	975
Landfill		0	2,555	3,137	2,555	3,137
Natural gas		0	3,486	3,825	3,486	3,825
Rose.net		0	3,455	3,564	3,455	3,564
Sanitation		0	4,555	4,558	4,555	4,558
Telecommunications		0	1,095	1,200	1,095	1,200
Telephony		0	1,839	1,943	1,839	1,943
Water and sewer		0	8,031	7,621	8,031	7,621
Total expenses	<u>37,387</u>	<u>36,155</u>	<u>83,323</u>	<u>83,788</u>	<u>120,710</u>	<u>119,943</u>
Increase in net assets						
before transfers	-7,506	-6,899	11,039	6,899	3,533	0
Transfers	9,163	7,961	-12,163	-6,716	-3,000	1,245
Increase (Decrease) in net assets	<u>1,657</u>	<u>1,062</u>	<u>-1,124</u>	<u>183</u>	<u>533</u>	<u>1,245</u>
Beginning Net Assets	\$ 19,633	\$ 18,570	\$ 124,106	\$ 123,923	\$ 143,739	\$ 142,493
Net assets - 12/31/12	<u>\$ 21,290</u>	<u>\$ 19,632</u>	<u>\$ 122,982</u>	<u>\$ 124,106</u>	<u>\$ 144,272</u>	<u>\$ 143,738</u>

Governmental activities. As previously mentioned, governmental activities increased the City's net assets by \$1,656,135. While current year revenues including transfers increased by \$1,824,950, related expenses increased disproportionately thereby contributing to the aforementioned increase in net assets of the City's governmental activities. The chart below shows the sources of revenues for governmental activities for 2012. As a percent of the total revenues, the type of revenue remains relatively consistent compared to 2011. The second chart shows the comparison of expenses by source for governmental activities for 2012.



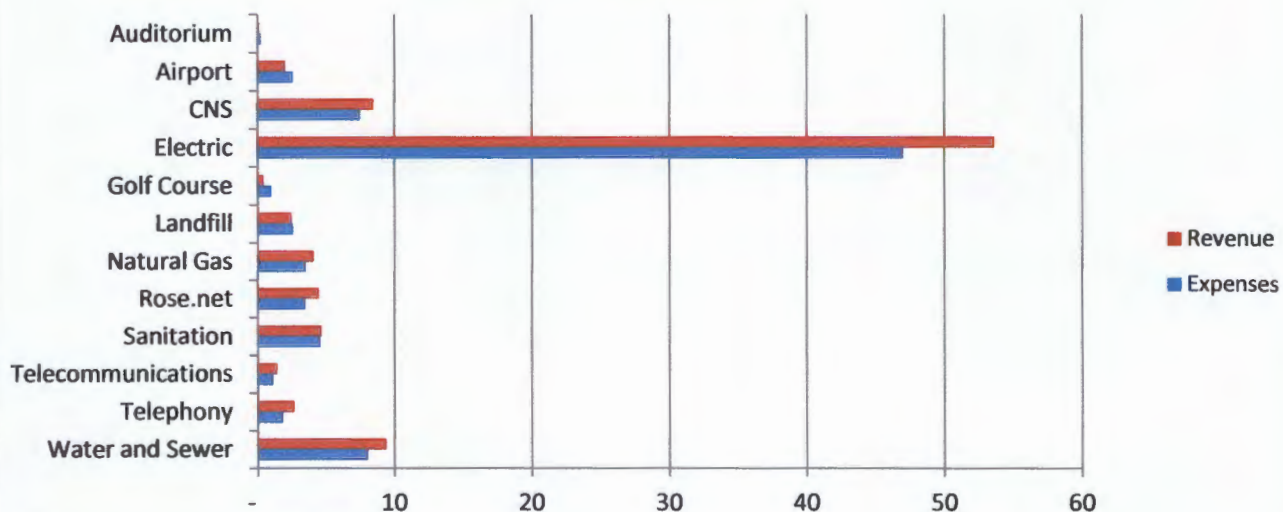
Business-type activities. Business-type activities decreased the City's net assets by \$1,123,543. The majority of the revenues from business-type activities are from metered sales as shown in the chart below. Net income from the business-type activities is used to fund the general government activities. The following business type activities had a net income before transfers as shown in the Program Revenues and Expenses chart below:

- Electric had a net income before transfers of \$4,033,842
- Water and Sewer had a net income before transfers of \$1,531,822
- Community Network Services (CNS) had a net income before transfers of \$943,948
- Rose.net had a net income before transfers of \$1,003,237
- Telephony had a net income before transfers of \$809,438
- Natural Gas had a net income before transfers of \$578,221
- Telecommunications had a net income before transfers of \$333,703
- Sanitation had a net income before transfers of \$158,996

Revenues by Sources - Business-Type Activities (amounts in thousands)



Program Revenues and Expenses -Business-Type Activities (amounts in thousands)



Financial Analysis of the Government's Funds

As noted earlier, the City of Thomasville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$4,505,793, an increase of \$1,564,308 in comparison with the prior year. Of this increase, 100% constitutes restricted fund balance, which is not available for new spending because it has already been committed for a variety of restricted purposes.

The SPLOST fund balance increased by \$1,995,854 during 2012. The effective date of the SPLOST fund was January 1, 2007. The consolidated fund balances of the other non-major governmental funds decreased by \$391,546 during the current year.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the major proprietary funds at the end of the year amounted to \$27,300,444. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

Budgetary Highlights

Differences between the general fund original budget and the final amended budget are briefly summarized as follows:

As of the date of this comprehensive annual financial report, proposed budget amendments have not yet been presented to the City Council for approval. We anticipate the presentation and subsequent approval of budget amendments, based on our audited financial statements.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2012, amounts to \$101,133,249 (net of related debt). This investment in capital assets includes land, buildings, machinery and equipment, infrastructure and construction in progress. The total increase in the City's investment in capital assets for the current fiscal year was 3.3% with the majority of the increase being attributed to enterprise activities.

Major capital asset events during the current fiscal year included the following:

- SPLOST funds were used for the following:
 - Resurfacing and paving of streets \$541,822
 - Stormwater improvements \$182,444
 - Recreation Facilities \$281,656
- Installation of Automated Meter Reading at a cost of \$1,767,514.
- Expansion of water and sewer systems to new apartment complexes at a cost of \$114,927.
- The water utility constructed a 2 million gallon a day well at a cost of \$255,261.
- Sewer system evaluation and rehabilitation at a cost of \$122,612.
- Lift Station #2 rehabilitation at a cost of \$54,778.
- Completion of the Madison Street Transportation Enhancement project at a cost of \$1,187,254.
- The Sanitation department purchased four CNG vehicles, at a cost of \$979,406.
- CNS upgraded several nodes to enhance the quality of services at a cost of \$341,439.
- The Police department purchased vehicles and equipment at a cost of \$303,216.
- Public Works purchased equipment and vehicles at a cost of \$209,664.
- Public Works constructed a crew shelter at a cost of \$100,335.
- The Landfill completed the majority of the mining project and expansion at a cost of \$1,368,359.
- The Landfill purchased heavy equipment at a cost of \$300,675.
- Information Technology purchased a disaster recovery system at a cost of \$407,874.

City of Thomasville, Georgia's Capital Assets
(net of depreciation)
(amounts expressed in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land	\$ 1,512	\$ 1,512	\$ 1,623	\$ 1,622	\$ 3,135	\$ 3,134
Buildings	4,538	4,568	12,623	12,842	17,161	17,410
Machinery and equipment	6,501	6,810	11,733	12,128	18,234	18,938
Infrastructure	13,520	12,672	64,755	61,146	78,275	73,818
Construction in progress		36	316	397	316	433
Total	\$ 26,071	\$ 25,598	\$ 91,050	\$ 88,135	\$ 117,121	\$ 113,733

Additional information on the City's capital assets can be found in Note 3 of this report.

Long-term debt

The City of Thomasville's total debt decreased by \$531,801 during the current fiscal year. This net decrease was due to the fact that the aggregate reduction of principal amounts outstanding exceeded the total amount of new borrowings, during the current fiscal year.

Additional information on the City's long-term debt can be found in Note 3 of the Notes to the Financial Statements.

Economic Factors and Next Year's Budgets and Rates

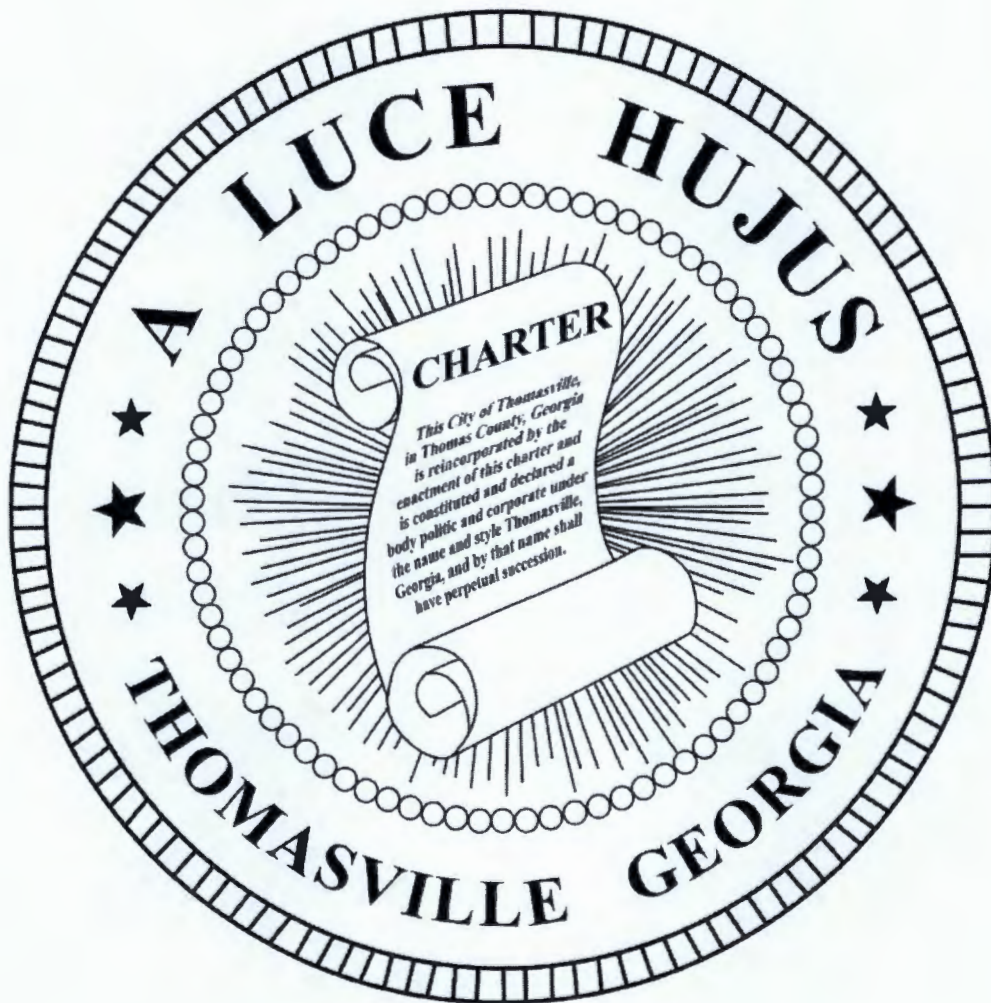
The unemployment rate for the City of Thomasville was 7.7% compared to the 8.4% figure reported during the previous year. It should be noted that the City's unemployment rate compares favorably to the state's average unemployment rate of 8.7% and the national average rate of 7.8%, for 2012.

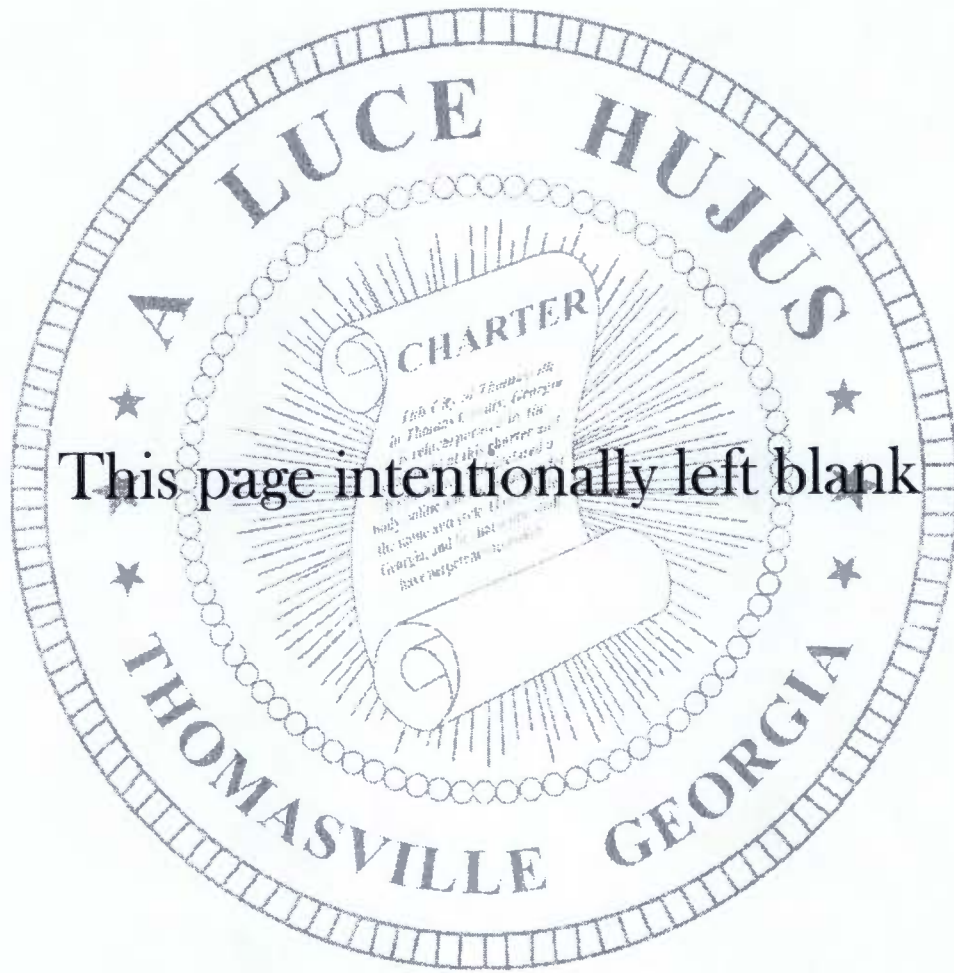
The City is continuing its efforts to ensure the rate structures for its business-type activities are sufficient to cover the cost of providing those services to customers. This ongoing analysis and the resulting actions of the City will ensure these enterprise funds can continue to transfer resources to the general fund as needed.

Requests for Information

This financial report is designed to provide a general overview of the City of Thomasville's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Thomasville, Chief Financial Officer, P. O. Box 1540, Thomasville, GA 31799.

Basic Financial Statements





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CITY OF THOMASVILLE, GEORGIA
Statement of Net Position
December 31, 2012

	Primary Government			Component Units		
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority	Thomasville Tourism Authority	Payroll Development Authority
ASSETS						
Cash	\$ 607,507	\$ 11,697,658	\$ 12,305,165	\$ 492,241	\$ 11,752	\$ 37,376
Investments	-	14,011,513	14,011,513	-	-	-
Investment in SGGSA	-	812,287	812,287	-	-	-
Receivables, net of allowance for uncollectibles	1,245,751	14,245,371	15,491,122	-	17,401	66,919
Interest receivable	17,474	-	17,474	-	-	-
Intergovernmental receivable	36,849	2,672,122	2,708,971	-	-	-
Internal balances	(3,753,538)	3,753,538	-	-	-	-
Inventories	65,141	3,500,926	3,566,067	-	-	-
Prepaid/deferred charges	114,867	703,732	818,599	233,585	-	-
Restricted assets:				-	-	-
Cash	5,698,343	110,574	5,808,917	-	-	-
Investments	3,230	5,255,208	5,258,438	-	-	-
Net Pension Asset	-	-	-	-	-	-
Capital assets, net of accumulated depreciation:						
Land	1,512,093	1,622,554	3,134,647	40,706	-	4,016,318
Buildings	4,538,440	12,622,902	17,161,342	10,426,225	-	-
Machinery and equipment	6,500,711	11,733,023	18,233,734	-	-	177,797
Infrastructure	13,519,774	64,755,087	78,274,861	91,953	-	-
Construction in progress	-	316,401	316,401	-	-	-
Total assets	<u>30,106,642</u>	<u>147,812,896</u>	<u>177,919,538</u>	<u>11,284,710</u>	<u>29,153</u>	<u>4,298,410</u>

The notes to the financial statements are an integral part of this statement.

CITY OF THOMASVILLE, GEORGIA
Statement of Net Position
December 31, 2012

	Primary Government			Component Units		
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority	Thomasville Tourism Authority	Payroll Development Authority
LIABILITIES						
Accounts payable and other						
current liabilities	1,245,776	5,659,596	6,905,372	828	46,097	102,434
Retainage payable	-	-	-	-	-	-
Intergovernmental	251,140	4,060	255,200	224,878	121,477	2,000,000
Customer deposits	-	1,184,985	1,184,985	-	-	-
Accrued and other liabilities	1,308,048	278,605	1,586,653	-	-	-
Noncurrent liabilities:						
Due within one year	1,169,938	2,097,810	3,267,748	2,786,899	-	-
Due in more than one year	4,842,067	15,605,269	20,447,336	8,428,536	-	-
Total liabilities	<u>8,816,969</u>	<u>24,830,325</u>	<u>33,647,294</u>	<u>11,441,141</u>	<u>167,574</u>	<u>2,102,434</u>
NET POSITION						
Invested in capital assets, net of related debt	23,544,184	77,589,065	101,133,249	(656,551)	-	4,194,115
Restricted for:						
Utility projects	-	981,377	981,377	-	-	-
Highways and streets	6,122,169	-	6,122,169	-	-	-
Capital expansion	-	17,470,509	17,470,509	-	-	-
Perpetual care:						
Expendable	36,941	-	36,941	-	-	-
Unexpendable	-	-	-	-	-	-
Other purposes	1,251	-	1,251	-	-	-
Unrestricted	(8,414,872)	26,941,620	18,526,748	500,120	(138,421)	(1,998,139)
Total net position	<u>\$ 21,289,673</u>	<u>\$ 122,982,571</u>	<u>\$ 144,272,244</u>	<u>\$ (156,431)</u>	<u>\$ (138,421)</u>	<u>\$ 2,195,976</u>

The notes to the financial statements are an integral part of this statement.

CITY OF THOMASVILLE, GEORGIA
Statement of Activities
for the year ended December 31, 2012

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units		
					Governmental Activities	Business-Type Activities	Total	Downtown Development Authority	Thomasville Tourism Authority	Payroll Development Authority
Primary government:										
Governmental activities:										
General administration	\$ 17,229,128	\$ 14,954,290	\$ 46,415	\$ -	\$ (2,228,423)	\$ -	\$ (2,228,423)	\$ -	\$ -	\$ -
Financial administration	3,431,351	3,403,784	-	-	(27,567)	-	(27,567)	-	-	-
Facilities maintenance	89,782	89,782	-	-	-	-	-	-	-	-
Public safety	10,295,396	618,510	-	-	(9,676,886)	-	(9,676,886)	-	-	-
Highways and streets	4,028,055	896,982	-	3,656,798	525,725	-	525,725	-	-	-
Economic development	1,013,147	7,860	-	89,845	(915,442)	-	(915,442)	-	-	-
Culture and recreation	1,221,190	-	-	-	(1,221,190)	-	(1,221,190)	-	-	-
Interest on long-term debt	79,163	-	-	-	(79,163)	-	(79,163)	-	-	-
Total governmental activities	<u>37,387,212</u>	<u>19,971,208</u>	<u>46,415</u>	<u>3,746,643</u>	<u>(13,622,946)</u>	<u>-</u>	<u>(13,622,946)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities:										
Auditorium	249,069	147,235	-	-	-	(101,834)	(101,834)	-	-	-
Airport	2,581,952	2,009,632	-	-	-	(572,320)	(572,320)	-	-	-
Community network services	7,486,007	8,442,552	-	-	-	956,545	956,545	-	-	-
Electric	46,996,719	53,641,417	-	-	-	6,644,698	6,644,698	-	-	-
Golf course	993,138	424,116	-	-	-	(569,022)	(569,022)	-	-	-
Landfill	2,554,795	2,459,622	-	-	-	(95,173)	(95,173)	-	-	-
Natural gas	3,486,050	4,066,983	-	-	-	580,933	580,933	-	-	-
Rose.net	3,455,292	4,461,315	-	-	-	1,006,023	1,006,023	-	-	-
Sanitation	4,554,744	4,657,592	-	-	-	102,848	102,848	-	-	-
Telecommunications	1,094,957	1,408,976	-	-	-	314,019	314,019	-	-	-
Telephony	1,839,357	2,651,243	-	-	-	811,886	811,886	-	-	-
Water and sewer	8,031,182	9,378,475	-	-	-	1,347,293	1,347,293	-	-	-
Total business-type activities	<u>83,323,262</u>	<u>93,749,158</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,425,896</u>	<u>10,425,896</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 120,710,474</u>	<u>\$ 113,720,366</u>	<u>\$ 46,415</u>	<u>\$ 3,746,643</u>	<u>\$ (13,622,946)</u>	<u>\$ 10,425,896</u>	<u>\$ (3,197,050)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Component units:										
Downtown Development Authority	\$ 1,015,879	\$ 1,052,419	\$ -	\$ -				\$ 36,540	\$ -	\$ -
Destination Thomasville Tourism Authority	383,847	-	287,986	-				-	(95,861)	-
Payroll Development Authority	116,054	-	125,206	-				-	-	9,152
Total component units	<u>\$ 1,515,780</u>	<u>\$ 1,052,419</u>	<u>\$ 413,192</u>	<u>\$ -</u>				<u>\$ 36,540</u>	<u>\$ (95,861)</u>	<u>\$ 9,152</u>

The notes to the financial statements are an integral part of this statement.

CITY OF THOMASVILLE, GEORGIA
Statement of Activities
for the year ended December 31, 2012

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets					
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units		
				Governmental Activities	Business-Type Activities	Total	Downtown Development Authority	Thomasville Tourism Authority	Payroll Development Authority
Expenses									
General revenues:									
Taxes, general				539,110	-	539,110	-	-	-
Property taxes, fire services				-	-	-	-	-	-
Sales taxes, general				2,877,092	-	2,877,092	-	-	-
Sales taxes, selective				637,968	-	637,968	-	-	-
Business taxes				1,625,995	-	1,625,995	-	-	-
Penalties and interest on delinquent taxes				220,035	-	220,035	-	-	-
Unrestricted investment earnings				1,127	163,759	164,886	733	-	41
Transfer to Pension Fund				-	(3,000,000)	(3,000,000)	-	-	-
Municipal Competitive Trust Contributions				-	-	-	-	-	-
Gain (Loss) on sale of capital assets				-	22,610	22,610	-	-	-
Miscellaneous revenue				215,188	426,758	641,946	-	-	-
Transfers				9,162,566	(9,162,566)	-	-	-	-
Total general revenues and transfers				15,279,081	(11,549,439)	3,729,642	37,273	(95,861)	9,193
Change in net position				1,656,135	(1,123,543)	532,592	37,273	(95,861)	9,193
Net position, beginning of year				19,633,538	124,106,114	143,739,652	(193,704)	(42,560)	2,186,783
Net position, end of year				\$ 21,289,673	\$ 122,982,571	\$ 144,272,244	\$ (156,431)	\$ (138,421)	\$ 2,195,976

The notes to the financial statements are an integral part of this statement.

CITY OF THOMASVILLE, GEORGIA

Balance Sheet
Governmental Funds
December 31, 2012

	General	SPLOST	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash	\$ 129,414	\$ 5,698,343	\$ 117,336	\$ 5,945,093
Investments	-	3,230	-	3,230
Accounts receivable	30,924	287,638	103,934	422,496
Taxes receivable	494,415	-	3,199	497,614
Notes receivable	46,607	-	31,572	78,179
Interest receivable	10,227	-	7,247	17,474
Intergovernmental receivable	-	-	36,849	36,849
Due from other funds	11,531,732	36,849	297,408	11,865,989
Prepaid items	67,881	-	8,194	76,075
Total assets	<u>\$ 12,311,200</u>	<u>\$ 6,026,060</u>	<u>\$ 605,739</u>	<u>\$ 18,942,999</u>
LIABILITIES				
Accounts payable	\$ 522,796	\$ 33,486	\$ 171,460	\$ 727,742
Intergovernmental payable	251,140	-	-	251,140
Due to other funds	11,246,154	-	1,865,342	13,111,496
Accrued and other liabilities	290,510	-	56,318	346,828
Total liabilities	<u>12,310,600</u>	<u>33,486</u>	<u>2,093,120</u>	<u>14,437,206</u>
FUND BALANCES				
Nonspendable	67,881	-	8,194	76,075
Restricted	-	5,992,574	313,390	6,305,964
Assigned	-	-	-	-
Unassigned	(67,281)	-	(1,808,965)	(1,876,246)
Total fund balances	<u>600</u>	<u>5,992,574</u>	<u>(1,487,381)</u>	<u>4,505,793</u>
Total liabilities and fund balances	<u>\$ 12,311,200</u>	<u>\$ 6,026,060</u>	<u>\$ 605,739</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	22,727,235
Internal service funds are used by management to charge the internal costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	(3,651,153)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(2,292,202)
Net assets of governmental activities	<u>\$ 21,289,673</u>

The notes to the financial statements are an integral part of this statement.

CITY OF THOMASVILLE, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
for the year ended December 31, 2012

	General	SPLOST	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes, general	\$ 521,006	\$ -	\$ 18,104	\$ 539,110
Sales taxes, general	1,338,170	-	1,538,922	2,877,092
Sales taxes, selective	443,695	-	194,273	637,968
Business taxes	1,625,995	-	-	1,625,995
Licenses, permits and fees	247,634	-	-	247,634
Penalties and interest on delinquent taxes	220,035	-	-	220,035
Intergovernmental	46,415	2,976,743	756,071	3,779,229
Charges for services	408,339	-	-	408,339
Fines and forfeitures	403,546	-	-	403,546
Investment earnings	476	12,456	897	13,829
Miscellaneous revenue	98,820	-	63,170	161,990
Total revenues	<u>5,354,131</u>	<u>2,989,199</u>	<u>2,571,437</u>	<u>10,914,767</u>
EXPENDITURES				
Current:				
General administration	2,034,873	-	-	2,034,873
Public safety	9,114,849	-	78,878	9,193,727
Highways and streets	2,349,660	15,724	57,822	2,423,206
Economic development	436,373	-	204,343	640,716
Culture and recreation	-	-	1,194,738	1,194,738
Debt service:				
Principal	794,624	-	105,508	900,132
Interest	36,182	-	19,040	55,222
Capital outlay:				
Public safety	323,868	-	57,806	381,674
Highways and streets	380,150	1,017,621	797,308	2,195,079
Economic development	-	-	94,835	94,835
Total expenditures	<u>15,470,579</u>	<u>1,033,345</u>	<u>2,610,278</u>	<u>19,114,202</u>
Excess (deficiency) of revenues over expenditures	<u>(10,116,448)</u>	<u>1,955,854</u>	<u>(38,841)</u>	<u>(8,199,435)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	9,515,271	-	-	9,515,271
Debt issuance	601,177	-	-	601,177
Transfers out	-	-	(352,705)	(352,705)
Total other financing sources (uses)	<u>10,116,448</u>	<u>-</u>	<u>(352,705)</u>	<u>9,763,743</u>
Net change in fund balances	-	1,955,854	(391,546)	1,564,308
Fund balances, beginning	<u>600</u>	<u>4,036,720</u>	<u>(1,095,835)</u>	<u>2,941,485</u>
Fund balances, ending	<u>\$ 600</u>	<u>\$ 5,992,574</u>	<u>\$ (1,487,381)</u>	<u>\$ 4,505,793</u>

The notes to the financial statements are an integral part of this statement.

CITY OF THOMASVILLE, GEORGIA

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
for the year ended December 31, 2012

Amounts reported for governmental activities in the statement of activities
are different because:

Net change in fund balances--total governmental funds	\$	1,564,308
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlays	2,671,588	
Depreciation expense	<u>(2,328,395)</u>	343,193
Net pension asset activity is reported in the government-wide statement of activities, but is not reported in the governmental funds.		(344,113)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Proceeds of long-term debt	(601,177)	
Repayment of long-term debt	<u>900,132</u>	298,955
Compensated absences are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(9,359)
The net revenue of certain activities of internal service funds is reported with governmental activities.		<u>(196,849)</u>
Change in net position of governmental activities	\$	<u>1,656,135</u>

CITY OF THOMASVILLE, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
for the year ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes, general	\$ 563,500	\$ 563,500	\$ 521,006	\$ (42,494)
Property taxes, fire services	96,800	96,800	-	(96,800)
Sales taxes, general	1,585,000	1,585,000	1,338,170	(246,830)
Sales taxes, selective	479,000	479,000	443,695	(35,305)
Business taxes	1,615,000	1,615,000	1,625,995	10,995
Licenses, permits and fees	201,838	201,838	247,634	45,796
Penalties and interest on delinquent taxes	184,500	184,500	220,035	35,535
Intergovernmental	75,000	75,000	46,415	(28,585)
Charges for services	446,210	446,210	408,339	(37,871)
Fines and forfeitures	475,000	475,000	403,546	(71,454)
Investment earnings	500	500	476	(24)
Miscellaneous revenue	68,500	68,500	98,820	30,320
Total revenues	5,790,848	5,790,848	5,354,131	(436,717)
EXPENDITURES				
Current:				
General administration:				
Council	312,876	312,876	345,097	(32,221)
Manager/ Assistant Manager	372,524	372,524	386,639	(14,115)
Clerk	98,699	98,699	99,033	(334)
Risk management	99,444	99,444	98,543	901
Planning and zoning	1,189,270	1,189,270	1,104,730	84,540
Other - unclassified	-	-	831	(831)
Total general administration	2,072,813	2,072,813	2,034,873	37,940
Public safety:				
Police	6,341,559	6,341,559	6,062,318	279,241
Fire	3,187,239	3,187,239	3,376,399	(189,160)
Total public safety	9,528,798	9,528,798	9,438,717	90,081
Highways and streets:				
Maintenance	2,502,060	2,502,060	2,729,810	(227,750)
Economic development:				
Main Street	478,003	478,003	436,373	41,630
Debt service:				
Principal	323,914	323,914	794,624	(470,710)
Interest	49,700	49,700	36,182	13,518
Total debt service	373,614	373,614	830,806	(457,192)
Total expenditures	14,955,288	14,955,288	15,470,579	(515,291)
Excess (deficiency) of revenues over expenditures	(9,164,440)	(9,164,440)	(10,116,448)	(952,008)
OTHER FINANCING SOURCES (USES)				
Transfers in	8,223,835	8,223,835	9,515,271	1,291,436
Debt issuance	1,024,717	1,024,717	601,177	(423,540)
Total other financing sources (uses)	9,248,552	9,248,552	10,116,448	867,896
Net change in fund balances	84,112	84,112	-	(84,112)
Fund balances, beginning	600	600	600	-
Fund balances, ending	\$ 84,712	\$ 84,712	\$ 600	\$ (84,112)

The notes to the financial statements are an integral part of this statement.

CITY OF THOMASVILLE, GEORGIA

Statement of Net Assets

Proprietary Funds

December 31, 2012

	Business-Type Activities - Enterprise Funds						Governmental Activities-Internal Service Funds
	Community Network Services	Electric	Landfill	Water and Sewer	Nonmajor Business-Type Activities	Total	
ASSETS							
Current:							
Cash	\$ -	\$ 7,989,481	\$ 3,687,351	\$ -	\$ 20,826	\$ 11,697,658	\$ 360,757
Investments	-	11,916,303	2,092,852	2,358	-	14,011,513	-
Accounts receivable	944,009	9,068,491	320,140	1,206,948	2,705,783	14,245,371	247,462
Net Pension Asset	-	-	-	-	-	-	-
Intergovernmental receivable	672,122	2,000,000	-	-	-	2,672,122	-
Due from other funds	-	29,356,294	-	-	5,062,925	34,419,219	189,298
Inventories	240,896	982,260	-	365,062	1,912,708	3,500,926	65,141
Prepaid/deferred charges	43,671	105,935	8,286	18,290	527,550	703,732	38,792
Investment in SGGSA	812,287	-	-	-	-	812,287	-
Total current assets	2,712,985	61,418,764	6,108,629	1,592,658	10,229,792	82,062,828	901,450
Noncurrent:							
Restricted assets:							
Cash	-	101,064	-	8,849	661	110,574	-
Investments	-	5,255,208	-	-	-	5,255,208	-
Total restricted assets	-	5,356,272	-	8,849	661	5,365,782	-
Capital assets:							
Land and land improvements	-	156,156	-	109,345	1,357,053	1,622,554	-
Buildings	10,807	3,939,495	645,520	2,910,635	8,949,838	16,456,295	1,914,267
Machinery and equipment	2,018,473	2,478,126	4,847,349	4,981,765	9,811,929	24,137,642	6,639,473
Infrastructure	19,615,838	25,179,684	10,116,483	37,782,239	14,030,568	106,724,812	-
Construction in progress	-	-	-	-	316,401	316,401	-
Less accumulated depreciation	(8,111,891)	(14,277,557)	(5,074,634)	(16,513,881)	(14,229,774)	(58,207,737)	(5,209,957)
Total capital assets (net of accumulated depreciation)	13,533,227	17,475,904	10,534,718	29,270,103	20,236,015	91,049,967	3,343,783
Total noncurrent assets	13,533,227	22,832,176	10,534,718	29,278,952	20,236,676	96,415,749	3,343,783
Total assets	16,246,212	84,250,940	16,643,347	30,871,610	30,466,468	178,478,577	4,245,233

The notes to the financial statements are an integral part of this statement.

CITY OF THOMASVILLE, GEORGIA
Statement of Net Assets
Proprietary Funds
December 31, 2012

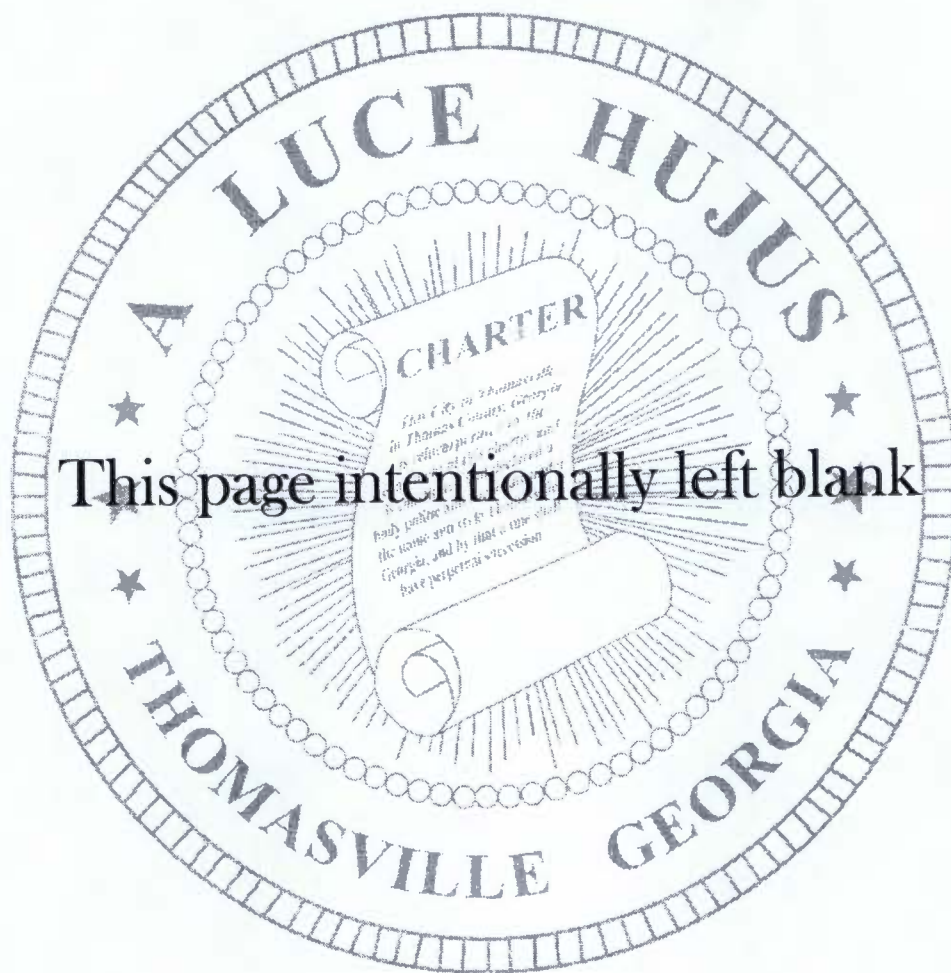
	Business-Type Activities - Enterprise Funds						
	Community Network Services	Electric	Landfill	Water and Sewer	Nonmajor Business-Type Activities	Total	Governmental Activities-Internal Service Funds
LIABILITIES							
Current:							
Accounts payable	317,228	3,271,557	686,063	379,116	695,840	5,349,804	392,271
Sales tax payable	-	282,511	-	-	27,281	309,792	-
Customer deposits	-	1,150,327	-	-	34,658	1,184,985	-
Intergovernmental payable	4,060	-	-	-	-	4,060	-
Due to other funds	14,721,918	-	299,378	6,580,309	8,705,252	30,306,857	3,056,154
Accrued liabilities	18,107	116,809	9,314	47,394	86,981	278,605	125,763
Claims payable	-	-	-	-	-	-	961,219
Current portion of long-term debt	87,969	504,261	905	687,404	817,271	2,097,810	168,716
Total current liabilities	<u>15,149,282</u>	<u>5,325,465</u>	<u>995,660</u>	<u>7,694,223</u>	<u>10,367,283</u>	<u>39,531,913</u>	<u>4,704,123</u>
Noncurrent:							
Accrued compensated absences	-	29,085	3,618	14,954	30,736	78,393	52,998
Accrued landfill closure costs	-	-	4,144,183	-	-	4,144,183	-
Net OPEB obligation	-	-	-	-	-	-	2,915,625
Notes payable, less current portion	2,282,771	762,275	-	3,528,675	4,808,972	11,382,693	582,465
Total noncurrent liabilities	<u>2,282,771</u>	<u>791,360</u>	<u>4,147,801</u>	<u>3,543,629</u>	<u>4,839,708</u>	<u>15,605,269</u>	<u>3,551,088</u>
Total liabilities	<u>17,432,053</u>	<u>6,116,825</u>	<u>5,143,461</u>	<u>11,237,852</u>	<u>15,206,991</u>	<u>55,137,182</u>	<u>8,255,211</u>
NET ASSETS							
Invested in capital assets, net of related debt	11,162,487	16,216,641	10,534,718	25,057,762	14,617,457	77,589,065	2,605,852
Restricted for energy program	-	21,568	-	-	-	21,568	-
Restricted for gas renewal	-	-	-	-	959,809	959,809	-
Restricted for capital expansion	-	16,800,509	670,000	-	-	17,470,509	-
Unrestricted	(12,348,328)	45,095,397	295,168	(5,424,004)	(317,789)	27,300,444	(6,615,830)
Total net assets	<u>\$ (1,185,841)</u>	<u>\$ 78,134,115</u>	<u>\$ 11,499,886</u>	<u>\$ 19,633,758</u>	<u>\$ 15,259,477</u>	<u>\$ 123,341,395</u>	<u>\$ (4,009,978)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						(358,824)	
Net assets of business-type activities						<u>\$ 122,982,571</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF THOMASVILLE, GEORGIA
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
for the year ended December 31, 2012

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Community Network Services	Electric	Landfill	Water and Sewer	Nonmajor Business- Type Activities	Total	
Operating revenues:							
Charges for sales and services	\$ 8,442,552	\$ 4,911,910	\$ 2,459,622	\$ 317,311	\$ 16,022,942	\$ 32,154,337	\$ 18,911,689
Intergovernmental	-	-	-	-	-	-	-
Metered sales	-	48,729,507	-	9,061,164	3,804,150	61,594,821	-
Miscellaneous revenue	86,902	136,394	-	175,384	28,078	426,758	53,198
Total operating revenues	8,529,454	53,777,811	2,459,622	9,553,859	19,855,170	94,175,916	18,964,887
Operating expenses:							
Personal services	580,387	1,280,893	504,095	1,294,808	2,942,813	6,602,996	6,157,759
Contracted services	708,187	1,691,925	1,147,059	2,113,856	4,603,132	10,264,159	8,093,661
Cost of sales	3,793,545	39,811,000	-	-	4,998,125	48,602,670	1,722,979
Supplies	218,628	174,902	35,566	838,951	721,624	1,989,671	509,136
Interfund charges	888,373	2,245,008	268,663	2,328,188	2,935,271	8,665,503	2,120,178
Depreciation/amortization	1,129,150	1,564,392	591,367	1,234,537	1,667,117	6,186,563	521,830
Other costs	118,313	209,453	5,933	118,584	273,021	725,304	-
Total operating expenses	7,436,583	46,977,573	2,552,683	7,928,924	18,141,103	83,036,866	19,125,543
Operating income (loss)	1,092,871	6,800,238	(93,061)	1,624,935	1,714,067	11,139,050	(160,656)
Non-operating revenues (expenses):							
Transfer to Pension Fund	-	(3,000,000)	-	-	-	(3,000,000)	-
Gain (Loss) on sale of capital assets	-	8,550	-	9,500	4,560	22,610	-
Investment earnings (loss)	(94,154)	237,681	17,246	2,004	982	163,759	1,127
Municipal Competitive Trust Contributions	-	-	-	-	-	-	-
Interest expense	(54,769)	(12,627)	-	(104,617)	(129,006)	(301,019)	(22,718)
Total non-operating revenues (expenses)	(148,923)	(2,766,396)	17,246	(93,113)	(123,464)	(3,114,650)	(21,591)
Income (loss) before transfers	943,948	4,033,842	(75,815)	1,531,822	1,590,603	8,024,400	(182,247)
Transfers in	-	-	-	158,981	234,750	393,731	-
Transfers out	(50,000)	(6,641,436)	-	(995,880)	(1,868,981)	(9,556,297)	-
Change in net assets	893,948	(2,607,594)	(75,815)	694,923	(43,628)	(1,138,166)	(182,247)
Net assets, beginning	(2,079,789)	80,741,709	11,575,701	18,938,835	15,303,105		(3,827,731)
Net assets, ending	\$ (1,185,841)	\$ 78,134,115	\$ 11,499,886	\$ 19,633,758	\$ 15,259,477		\$ (4,009,978)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						14,623	
Change in net assets of business-type activities						(1,123,543)	

The notes to the financial statements are an integral part of this statement.



CITY OF THOMASVILLE, GEORGIA
Statement of Cash Flows
Proprietary Funds
for the year ended December 31, 2012

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service
	Community Network Services	Electric	Landfill	Water and Sewer	Nonmajor Business-Type Activities	Total	
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers and users	\$ 8,330,072	\$ 52,423,955	\$ 2,451,012	\$ 9,513,661	\$ 19,746,379	\$ 92,465,079	\$ 329,773
Receipts from interfund services provided	-	-	-	22,788	280,732	303,520	18,451,383
Payments to suppliers	(4,584,026)	(41,914,046)	(363,820)	(2,781,888)	(10,618,857)	(60,262,637)	(9,381,342)
Payments to employees	(578,649)	(960,281)	(500,944)	(1,276,371)	(2,926,161)	(6,242,406)	(6,131,351)
Payments for interfund services used	(2,855,203)	(718,268)	(275,505)	(2,328,188)	(2,993,143)	(9,170,307)	(2,268,548)
Net cash provided by (used in) operating activities	312,194	8,831,360	1,310,743	3,150,002	3,488,950	17,093,249	999,915
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Transfer to Pension (Fiduciary Fund)	-	(3,000,000)	-	-	-	(3,000,000)	-
Transfer to other funds	(50,000)	(6,641,436)	-	(995,880)	(1,868,981)	(9,556,297)	-
Advances from other funds	-	-	-	158,981	234,750	393,731	-
Net cash (used in) noncapital financing activities	(50,000)	(9,641,436)	-	(836,899)	(1,634,231)	(12,162,566)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from capital debt	1,443,437	511,197	-	198,233	1,004,340	3,157,207	23,057
Purchases of capital assets	(1,524,508)	(2,471,837)	(1,323,400)	(1,750,075)	(2,031,792)	(9,101,612)	(650,984)
Proceeds from sale of capital assets	-	8,550	-	9,500	4,560	22,610	-
Principal paid on capital debt	(96,815)	(709,352)	-	(668,106)	(704,770)	(2,179,043)	(170,449)
Interest paid on capital debt	(54,769)	(12,627)	-	(104,617)	(129,006)	(301,019)	(22,718)
Net cash (used in) capital and related financing activities	(232,655)	(2,674,069)	(1,323,400)	(2,315,065)	(1,856,668)	(8,401,857)	(821,094)
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from sales and maturities of investments	-	3,000,000	-	-	-	3,000,000	-
Investment earnings (loss)	-	-	-	-	-	-	-
Purchase of investments	64,615	(178,682)	(9,756)	-	-	(123,823)	-
Interest and dividends received	(94,154)	237,681	17,246	1,983	982	163,738	1,127
Net cash provided by (used in) investing activities	(29,539)	3,058,999	7,490	1,983	982	3,039,915	1,127

The notes to the financial statements are an integral part of this statement.

CITY OF THOMASVILLE, GEORGIA
Statement of Cash Flows
Proprietary Funds
for the year ended December 31, 2012

	Business-Type Activities - Enterprise Funds						Governmental Activities - Internal Service
	Community Network Services	Electric	Landfill	Water and Sewer	Nonmajor Business-Type Activities	Total	
Net increase (decrease) in cash and cash equivalents	-	(425,146)	(5,167)	21	(967)	(431,259)	179,948
Cash and cash equivalents, January 1 (including \$100,920 and \$8,828 for the electric and water and sewer funds, respectively, reported in restricted accounts)	-	8,515,691	3,692,518	8,828	22,454	12,239,491	180,809
Cash and cash equivalents, December 31 (including \$101,064 and \$8,849 for the electric and water and sewer funds, respectively, reported in restricted accounts)	\$ -	\$ 8,090,545	\$ 3,687,351	\$ 8,849	\$ 21,487	\$ 11,808,232	\$ 360,757
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	\$ 1,092,871	\$ 6,800,238	\$ (93,061)	\$ 1,624,935	\$ 1,714,067	\$ 11,139,050	\$ (160,656)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation/Amortization expense	1,129,150	1,564,392	591,367	1,234,537	1,667,117	6,186,563	521,830
(Increase) decrease in accounts receivable	35,118	(1,353,856)	(8,610)	(40,198)	(108,791)	(1,476,337)	(161,483)
(Increase) in intergovernmental receivables	(234,500)	-	-	-	-	(234,500)	-
(Increase) decrease in other receivables	-	-	-	-	-	-	-
(Increase) decrease in due from other funds	-	1,526,740	-	-	(600,320)	926,420	(10,227)
(Increase) decrease in inventories	487,069	45,779	-	13,738	(158,443)	388,143	(4,541)
(Increase) decrease in prepaid items/deferred charges	(17,274)	(8,507)	(117)	(1,825)	153,041	125,318	194
Increase (decrease) in customer deposits	-	139,798	-	(300)	-	139,498	-
Increase in net OPEB obligation	-	-	-	-	-	-	465,391
Decrease in net pension asset	-	230,228	-	-	-	230,228	-
Increase (decrease) in accounts payable	(215,148)	(203,836)	569,467	277,890	(13,053)	415,320	493,617
(Decrease) in unearned revenue	-	-	-	-	(4,500)	(4,500)	-
Increase (decrease) in due to other funds	(1,966,830)	-	(6,842)	22,788	823,180	(1,127,704)	(170,618)
Increase in accrued liabilities	1,738	89,330	3,018	10,970	20,072	125,128	34,941
Increase in accrued landfill closure costs	-	-	255,388	-	-	255,388	-
Increase (decrease) in accrued compensated absences	-	1,054	133	7,467	(3,420)	5,234	(8,533)
Total adjustments	(780,677)	2,031,122	1,403,804	1,525,067	1,774,883	5,954,199	1,160,571
Net cash provided by (used in) operating activities	\$ 312,194	\$ 8,831,360	\$ 1,310,743	\$ 3,150,002	\$ 3,488,950	\$ 17,093,249	\$ 999,915
Noncash investing, capital, and financing activities:							
Change in Investment in Authority	\$ (94,154)	\$ -	\$ -	\$ -	\$ -	\$ (94,154)	\$ -

The notes to the financial statements are an integral part of this statement.

CITY OF THOMASVILLE, GEORGIA
Statement of Plan Net Assets
Fiduciary Funds
December 31, 2012

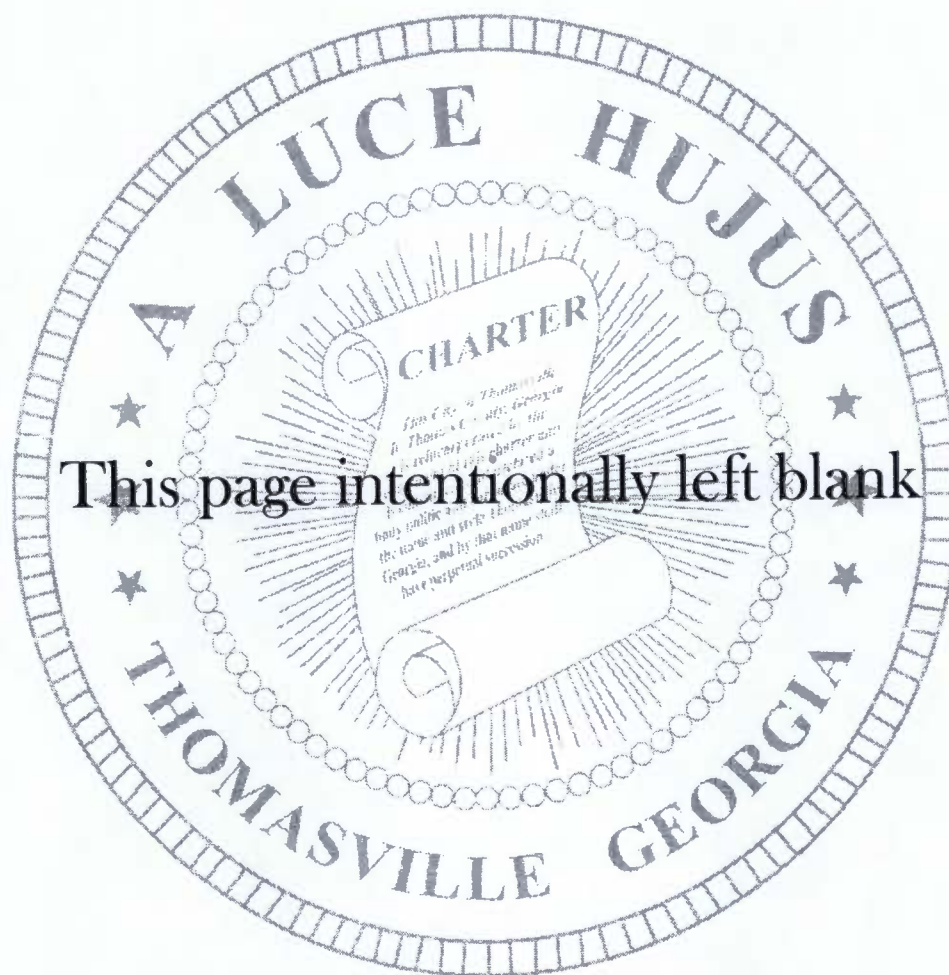
	Public Employees' Retirement System Pension Trust Fund
ASSETS	
Cash	\$ 3,877,130
Due from other funds	100,784
Investments, at fair value:	
U.S. Government Securities	476,896
Common Stocks	7,546,526
Corporate Bonds	5,529,424
Alternatives	2,419,378
Mutual Funds	6,010,238
Total assets	<u>25,960,376</u>
LIABILITIES	
Accounts payable	14,699
Accrued liabilities	-
Due to Other Funds	-
Due to Component Units	-
Total liabilities	<u>14,699</u>
NET ASSETS	
Held in trust for pension benefits and other purposes	<u>\$ 25,945,677</u>

The notes to the financial statements are an integral part of this statement.

CITY OF THOMASVILLE, GEORGIA
Statement of Changes in Plan Net Assets
Fiduciary Funds
for the year ended December 31, 2012

	Public Employees' Retirement System Pension Trust Fund
ADDITIONS	
Contributions:	
Employer	\$ 3,411,197
Plan Member	274,731
Total contributions	<u>3,685,928</u>
Investment earnings:	
Interest/ Dividends	412,878
Net increase in the fair value of investments	<u>2,014,040</u>
Total investment earnings	<u>2,426,918</u>
Less investment expense	<u>-</u>
Net investment earnings	<u>2,426,918</u>
Total additions	<u>6,112,846</u>
DEDUCTIONS	
Benefits	1,701,044
Refunds of contributions	-
Administrative expenses	<u>242,319</u>
Total deductions	<u>1,943,363</u>
Change in net assets	<u>4,169,483</u>
Net assets, beginning	<u>21,776,194</u>
Net assets, ending	<u>\$ 25,945,677</u>

The notes to the financial statements are an integral part of this statement.



CITY OF THOMASVILLE, GEORGIA

Notes to the Financial Statements

December 31, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Thomasville (City) was incorporated in 1826 as a political subdivision of the State of Georgia. The City operates under a Council-Manager form of government and provides various services authorized by its charter, including public safety (police and fire), highways and streets, landfill, sanitation, culture and recreation, electric, water and sewer and gas distribution, telecommunications, cable television system and internet services, economic development, airport, golf course, and general administrative services. The accounting policies of the City conform to generally accepted accounting principles as applicable to governments. Enterprise funds and similar component units apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict Governmental Accounting Standards Board (GASB) pronouncements, in which case GASB prevails. The more significant accounting policies of the City are described below.

REPORTING ENTITY

The City is a municipal corporation governed by a five-member council with an appointed Mayor. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits or, or provide financial support to the organization; or the City is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the City in that the City approved the budget, levies their taxes or issues their debt. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

A brief description of the Component Units follows:

The Thomasville Downtown Development Authority (DDA) consists of seven members who are appointed by resolution of the City Council. The DDA is responsible for promoting the economic development in the Thomasville downtown business district. The DDA has the right to control all management and fiscal matters; however, the City has the ability to modify or approve rate or fee changes, which would affect the DDA's revenues.

The Destination Thomasville Tourism Authority (DTTA), d/b/a Thomasville-Thomas County Historic Plantations Convention and Visitor Bureau, consists of seven members who are appointed by resolution of the City Council. The purpose of DTTA is to increase area tourism and tourist dollars while providing a quality tourist experience. The DTTA has the right to control all management and fiscal matters; however, the budget of the DTTA must be approved by the City Council. The City collects a special five percent (5%) hotel/motel tax that primarily funds the DTTA.

The Thomasville Payroll Development Authority (PDA) consists of five members: the Mayor of the City of Thomasville, Chairman of the Board of Commissioners of Thomas County, President of the Chamber of Commerce, and two members appointed by the City Council. The PDA is charged with expanding and developing industry in the City and County. The PDA has the right to control all management and fiscal matters related to its purpose of expanding and developing industry; however, the City has the ability to modify or approve rate or fee changes which would affect the PDA's revenues.

Complete financial statements for Thomasville Downtown Development Authority (DDA), Thomasville Payroll Development Authority (PDA), and Destination Thomasville Tourism Authority may be obtained at the City's financial services department, 111 Victoria Place, Thomasville, Georgia or by contacting 229-227-7010.

BASIS OF PRESENTATION

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's proprietary functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The statement of activities demonstrates the degree to which the expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City allocates indirect expenses to functions in the statement of activities. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Governmental fund types include the General Fund, Special Revenue Funds, and Capital Projects Funds. Governmental Fund Financial Statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances for all governmental major funds and nonmajor funds aggregated. The governmental funds employ the current financial resources measurement focus. The funds are maintained on the modified accrual basis of accounting. (Explained further under Basis of Accounting)

The City reports the following major governmental funds:

- ***General Fund*** - the City's primary operating fund. It accounts for all financial resources not otherwise accounted for by a specific fund.
- ***Special Purpose Local Option Sales Tax (SPLOST) Fund*** - accounts for funds received and accumulated for certain capital projects as outlined and approved by referendum.

Proprietary Funds include Enterprise Funds and Internal Service Funds. The Proprietary Fund measurement focus is upon determination of net income, financial position, and changes in financial position. The generally accepted accounting principles in these funds are those applicable to similar businesses in the private sector and thus these funds are maintained on the accrual basis of accounting. (Explained further under Basis of Accounting)

The City reports the following major proprietary funds:

- ***Community Network Services (CNS) Fund*** - accounts for the cost of providing community network services, including CNS television, to the citizens of the City and surrounding areas. All activities necessary to provide such services are accounted for in this fund.

- ***Electric Fund*** - accounts for the cost of providing electric services to the citizens of the City and surrounding areas. All activities necessary to provide such services are accounted for in this fund.
- ***Landfill Fund*** - accounts for the disposal of garbage and trash. All activities necessary to provide such services are accounted for in this fund.
- ***Water and Sewer System Fund*** - accounts for the cost of providing water and sewer services to the citizens of the City and surrounding areas. All activities necessary to provide such services are accounted for in this fund. Water and sewer activities must be shown together due to the provisions of the Utility System Revenue Bond Resolution.

Additionally, the City reports the following fund types:

- Internal service funds are used to account for maintenance of buildings and vehicles, customer service, personnel services, engineering services, data processing, marketing, financial services, and procurement provided to other departments or agencies of the City and to other government units, on a cost reimbursement basis.
- Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for others. The Pension Trust fund accounts for the activities of the Public Employees' Retirement System, which accumulates resources for pension benefit payments to qualified employees.

The City has other funds that are not considered major. They are described in the supplementary information.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the City receives cash.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Deposits and Investments

The City's cash and cash equivalents, for purposes of the statement of cash flows, are considered to be cash on hand and short-term investments with original maturities of three months or less from the date of acquisition.

Idle funds are invested primarily in obligations of the U. S. Treasury and other U. S. Government instruments, bonds of the state and its instrumentality, municipal competitive trusts, certificates of deposit with commercial banks, and repurchase agreements collateralized by U. S. obligations.

The City pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the City's investments. Negative balances incurred in pooled cash at year-end are treated as interfund receivables of the receiving funds and interfund payables of the deficit funds.

Investments are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value, and the carrying amount of cash deposits reasonably estimates fair value. The composition of additional cash and investment information, and fair values are presented in Note 3.

The investment philosophy has been to keep funds needed for the day-to-day operations of the City in short-term, liquid instruments and to invest other funds in any of the above instruments yielding the highest rate of return, considering current and anticipated future market conditions and the need for liquidity in those funds.

Georgia law authorizes the City to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the government or governmental agency
- Obligations of any corporation of the government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

Any investment or deposit in excess of the Federal Deposit Insurance Corporation (FDIC) insured amount must be secured by 110% of an equivalent amount of State or U.S. obligations.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables, including those for enterprise funds, are shown net of an allowance for uncollectibles. A percentage of trade accounts receivable in excess of 90 days comprise the trade accounts receivable allowance for collectibles, including those for enterprise funds.

The Thomas County, Georgia tax assessor's office is responsible for assessing property values. Property taxes are levied as of November 1 on property values assessed as of the same date. The billings are considered past due 60 days after the respective tax billing date, at which time the applicable property is subject to lien, and penalties and interest are assessed. City property tax revenues are recognized when levied to the extent they result in current receivables. The City maintains no allowance for estimated uncollectible tax as delinquent accounts are declared as a lien against the property.

The City bills and collects property taxes levied by the City of Thomasville Board of Education (BOE). Collections of the BOE's property taxes and remittance of them to the BOE are accounted for in the School Fund (agency fund). On September 24, 2012, the City Council adopted a millage rate of 0% for its property taxes levied for the provision of fire services within the City limits. The property tax levy, due and lien dates for 2012 are as follows:

Levy date	October 5, 2012
Due date	December 20, 2012
Lien date	December 20, 2012

Both principal and interest on paving assessments, community development loans, and housing rehabilitation loans are payable in monthly and annual installments over a three to fifteen year period. The principal is recognized as revenue in the year received. The balance due at December 31 is recorded as deferred revenue. There is no allowance for doubtful accounts. Delinquent accounts have a special assessment lien filed against the property.

Accounts receivable represent service charges for electric, water, sewer, gas, telecommunications, rose.net, community network services, landfill and sanitation services and are recognized when earned. An estimated amount has been recorded for services rendered but not yet billed as of December 31, 2012. Using the cycle billings sent to customers in January and prorating the amount of days applicable to the current year, the City computed the unbilled receivable. The allowance for uncollectible charges at December 31, 2012, for these receivables is \$899,066. These receivables are reported net of the allowance.

Inventories and Prepaid Items

Inventories are valued at cost using the weighted average method of valuation for proprietary funds. Governmental fund type inventories, which consist of expendable supplies held for consumption, are recorded as expenditures when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets

On January 1, 1999, the Municipal Electric Authority of Georgia (MEAG) created the Municipal Competitive Trust. The purpose of the Trust is to provide a means for MEAG and its wholesale customers to deposit funds to be invested at the best prudent rates of return, to accumulate and be applied to mitigate the costs associated with pending legislative changes in the power industry. At December 31, 2012, a total of \$4,298,594 was available to the City in the Credit Support Operating Account of the Trust. These funds are restricted and can only be used to reduce the cost of power purchased from MEAG under certain circumstances. Additionally, a total of \$12,878,505 was available to the City in the Flexible Operating Account of the Trust. These funds are not restricted and can be used at the City's discretion. Earnings on the accounts are considered revenue to the City since the City can withdraw such earnings at its discretion.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The City evaluates the potential impairment of long-lived assets and adjusts the carrying value to fair value. Management recognized no impairments in 2012. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During 2012, no interest was capitalized in either the proprietary funds or the government funds.

Property, plant, and equipment of the City, both governmental and business-type activities, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	25-50
Utility system	33-50
Improvements	10-20
Equipment and vehicles	3-15
Infrastructure	33-50

Compensated Absences

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. Sick leave accrues to full-time, permanent employees limited to specified maximums payable upon retirement. Accrued vacation time earned does not vest with the employee.

The estimated current portion of the liability for sick leave benefits attributable to the City's governmental funds is recorded as an expenditure and liability in the respective funds only when there is reimbursable unused sick leave payable to employees who had terminated their employment at the end of the year. The amounts attributable to proprietary funds are charged to expense and a corresponding liability in the applicable fund or component unit. The estimated liabilities include required salary-related payments.

Accrued Liabilities

All payables and accrued liabilities are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. Debt service expenditures are recognized as a liability in the governmental fund financial statements when due.

Long-term Obligations, Bond Premiums, Discounts, and Issuance Costs

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Balance

The City implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) in 2011, as required. The purpose of GASB 54 is to improve the consistency and usefulness of fund balance information to the financial statement user. The statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the organization is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned:

- **Nonspendable** – This component of fund balance consists of amounts that cannot be spent because (a) they are not expected to be converted to cash or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.
- **Restricted** – This component of fund balance consists of amounts that are constrained either (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments), or (b) by law through constitutional provisions or enabling legislation.

- **Committed** – This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolution of the City Council. These committed amounts cannot be used for any other purpose unless the Council removes or changes the specified use by taking the same type of action employed to constrain those amounts.
- **Assigned** – This component of fund balance consists of amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Council currently has the authority to assign fund balances.
- **Unassigned** – This classification is used for (a) negative unrestricted fund balances in any governmental fund, or (b) fund balances within the general fund that are not restricted, committed or assigned.
- **Flow Assumption**
When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use in any governmental fund, it is the Board's policy to use committed resources first, then assigned, and then unassigned as needed.

Net Position

Net position represents all assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources. The City does not have any amount required to be reported as deferred outflows/inflows of resources as of December 31, 2012. Net position is displayed in the Statement of Net Position into the following categories:

- **Net Investment in Capital Assets** – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.
- **Restricted** – Net position subject to externally imposed stipulations on their use.
- **Unrestricted** – All remaining net position that do not meet the definition of "net investment in capital assets" or "restricted".

When both restricted and unrestricted resources are available for the same purpose, restricted net position are considered to be used first over unrestricted net position.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. The City is required to adopt a budget for all governmental fund types that may not be exceeded at the fund level without approval by the City Council. For 2012, the City Council, by resolution, adopted a budget for all governmental funds, all enterprise funds, all internal service funds, and the pension trust fund.

During the fall, the Chief Financial Officer submits to the City Council proposed operating budgets for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and means of financing them. Public hearings are conducted to obtain citizen comments. During the last meeting in December, the budget is approved by the City Council.

The appropriated budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the council. The legal level of budgetary control (i.e., the level at which expenditures may not exceed appropriations) is the department level. Additional budget amendments are proposed for the funds indicated in the excess of expenditures over appropriations section.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the general, special revenue, and capital projects funds. For budgetary purposes, appropriations lapse at year-end except for that portion related to encumbered amounts.

EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended December 31, 2012, expenditures exceeded appropriations in the following funds. These are the items proposed for budget amendments.

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Enterprise Funds			
Electric	\$ 52,237,974	\$ 56,631,636	\$ (4,393,662)
Water and Sewer	8,723,782	9,029,421	(305,639)
Sanitation	4,890,305	5,114,247	(223,942)
Rose.net	4,033,205	4,058,078	(24,873)
Golf	900,560	989,765	(89,205)
Internal Service Funds			
Marketing	\$ 771,996	\$ 810,918	\$ (38,922)
City Shop	2,353,337	2,787,142	(433,805)
Human Resources	393,590	397,502	(3,912)
Self-Insurance	5,770,365	7,120,948	(1,350,583)
Building Maintenance	87,935	89,782	(1,847)
Purchasing	110,832	117,882	(7,050)
Governmental			
General	\$ 14,955,288	\$ 15,470,579	\$ (515,291)
Asset Forfeiture	63,625	136,684	(73,059)
Economic Development	-	70	(70)
Parks and Recreation	1,576,138	1,651,991	(75,853)
Multiple Grants	150,000	808,685	(658,685)
Street Paving	36,379	45,065	(8,686)

The City provides departmental detail for the General Fund in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.

The City continues to use the full cost allocation plan for the fiscal year beginning January 1, 2013. The City understands the importance of the budgetary process and will enhance the process accordingly to include all operational expenses in the future. In addition, self-insurance premiums were adjusted for increase in cost. These changes were included in the budget process and it is the City's intention that such changes will prevent expenditures from exceeding appropriations in the future.

DEFICIT FUND EQUITY

At December 31, 2012, the following internal service funds have deficit balances in net assets. These funds are supported by other departments or agencies of the City and other government units, on a cost reimbursement basis. The City continues to use a full cost allocation plan effective for the fiscal year beginning January 1, 2013. In addition, self-insurance premiums continue to be increased.

Self Insurance	\$ 4,370,913
Technical Services	174

At December 31, 2012, the following proprietary funds have deficit balances in net assets. The City recognizes that the current fee structure does not adequately fund expenses. The City budgets to subsidize these accounts by transfers net of depreciation expenses and previous deficits; therefore a deficit balance may remain.

Community Network Services	\$ 1,185,841
Golf Course	2,241,616
Telecommunications	263,410

At December 31, 2012, the following governmental funds have deficit balances in fund balances. The City recognizes that the current fee structure does not adequately fund expenses. The City budgets to subsidize these accounts by transfers net of depreciation expenses and previous deficits; therefore a deficit balance may remain.

Parks and Recreation	\$ 1,163,342
Multiple Grants	623,839
Economic Development	510
CDBG	13,080

NOTE 3 - DETAILED NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

- At year-end, the City of Thomasville's carrying amount of deposits was \$18,114,082 and the bank balance was \$17,959,821.
- At year-end, the Downtown Development Authority's carrying amount of deposits was \$492,241 and the bank balance was \$484,112.
- At year-end, the Payroll Development Authority's carrying amount of deposits was \$37,376 and the bank balance was \$37,301.
- At year-end, the Destination Thomasville Tourism Authority carrying amount of deposits was \$11,752 and the bank balance was \$9,926.

Credit Risk

The City does not have a formal credit risk policy. State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U. S. government; obligations fully insured or guaranteed by the U. S. government or by a government agency of the United States; obligations of any corporation of the U. S. government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

The Pension Trust Fund is authorized to invest in securities approved by the Board of Trustees.

Interest Rate Risk

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U. S. government, or bonds of public authorities, counties, or municipalities. The City does not have a formal Custodial Credit Risk Policy. As of December 31, 2012, the City did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

Investments

As of December 31, 2012 the City had the following investments:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Certificates of Deposit	\$ 2,092,852	0.50
Municipal Competitive Trust	<u>17,177,099</u>	N/A
Total Investments	<u>\$19,269,951</u>	

As of December 31, 2012 the City had the following investments in the Pension Trust Fund:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>	<u>Rating</u>
Corporate Bonds	\$ 1,910,608	9.13	N/A
Corporate Bonds	187,903	11.72	A1
Corporate Bonds	318,516	7.75	A2
Corporate Bonds	123,689	8.56	A3
Corporate Bonds	2,022,365	2.60	AA
Corporate Bonds	161,050	10.83	Aa1
Corporate Bonds	115,743	9.18	Aa2
Corporate Bonds	81,640	9.46	Aa3
Corporate Bonds	294,706	9.68	Aaa
Corporate Bonds	171,373	10.73	Baa1
Corporate Bonds	<u>141,831</u>	9.71	Baa2
Total Corporate Bonds	5,529,424		
U.S. Government Securities	476,896	12.06	N/A
Common Stocks	7,546,526	N/A	N/A
Alternatives	2,419,378	N/A	N/A
Mutual Funds	<u>6,010,238</u>	N/A	N/A
Total Investments	<u>\$21,982,462</u>		

RECEIVABLES

Receivables as of year-end for the City's individual major funds, nonmajor funds, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	SPLOST	Community Network Services	Electric	Landfill	Water and Sewer	Nonmajor and Other Funds	Total
Receivables:								
Interest	\$ 10,227	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,247	\$ 17,474
Taxes	494,415	-	-	-	-	-	3,199	497,614
Accounts	30,924	287,638	1,092,396	9,245,858	343,937	1,264,965	3,548,677	15,814,395
Notes	46,607	-	-	-	-	-	31,572	78,179
Intergovernmental	-	-	672,122	2,000,000	-	-	36,849	2,708,971
Gross receivables	582,173	287,638	1,764,518	11,245,858	343,937	1,264,965	3,627,544	19,116,633
Less: allowance for uncollectibles	-	-	(148,387)	(177,367)	(23,797)	(58,017)	(491,498)	(899,066)
Net total receivables	<u>\$ 582,173</u>	<u>\$ 287,638</u>	<u>\$ 1,616,131</u>	<u>\$ 11,068,491</u>	<u>\$ 320,140</u>	<u>\$ 1,206,948</u>	<u>\$ 3,136,046</u>	<u>\$ 18,217,567</u>

During 2011, the City entered into a Participant Service Contract with Electric Cities of Georgia, Inc. (ECG). This agreement provides funds up to \$5,000 per residential utility customer for the purchase and installation of energy efficient equipment and home energy efficiency improvements. These funds are required to be paid back over a 36 to 60 month period with 0% interest. As of December 31, 2012, the City had outstanding loans to residents in the amount of \$703,724, which is included in Electric's accounts receivable balance in the table above.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	Unavailable
General Fund (Special Assessments)	\$ 68,900
Street Paving Fund (Paving Assessments)	<u>55,393</u>
Total deferred/unearned revenue for governmental funds	<u>\$124,293</u>

Property taxes receivable as of December 31, 2012, are composed of the following:

<u>Year of Levy</u>	<u>General Fund</u>
2011	\$ 22,669
2010	21,095
2009	13,784
2008	8,224
2007	6,889
2006	1,538
2005	<u>2,445</u>
	<u>\$ 76,644</u>

PREPAID EXPENSES/DEFERRED CHARGES

Prepaid expenses and deferred charges as of year-end for the City's individual major funds, nonmajor funds, and internal service funds in the aggregate are as follows:

	<u>General</u>	<u>Community Network Services</u>	<u>Electric</u>	<u>Landfill</u>	<u>Water and Sewer</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Prepaid Expenses/Deferred Charges							
Insurance	\$ 67,881	\$ 43,671	\$ 8,341	\$ 8,286	\$ 18,290	\$ 60,555	\$ 207,024
Taxes	-	-	81,175	-	-	6,355	87,530
MEAG - Telecom Services	-	-	-	-	-	442,404	442,404
Other	-	-	16,419	-	-	65,222	81,641
	<u>-</u>	<u>-</u>	<u>16,419</u>	<u>-</u>	<u>-</u>	<u>65,222</u>	<u>81,641</u>
Total Prepaid Expenses/Deferred Charges	<u>\$ 67,881</u>	<u>\$ 43,671</u>	<u>\$ 105,935</u>	<u>\$ 8,286</u>	<u>\$ 18,290</u>	<u>\$ 574,536</u>	<u>\$ 818,599</u>

CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2012 was as follows:

Primary Government:

	<u>Beginning Balance</u>	<u>Transfers</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental activities:</u>					
Capital assets, not being depreciated:					
Land	\$ 1,512,093	\$ -	\$ -	\$ -	\$ 1,512,093
Construction in progress	<u>36,456</u>	<u>-</u>	<u>-</u>	<u>(36,456)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>1,548,549</u>	<u>-</u>	<u>-</u>	<u>(36,456)</u>	<u>1,512,093</u>
Capital assets, being depreciated:					
Buildings	7,119,657	-	192,773	-	7,312,430
Machinery and equipment	18,475,466	-	1,173,598	-	19,649,064
Infrastructure	<u>60,299,702</u>	<u>-</u>	<u>1,989,913</u>	<u>-</u>	<u>62,289,615</u>
Total capital assets, being depreciated	<u>85,894,825</u>	<u>-</u>	<u>3,356,284</u>	<u>-</u>	<u>89,251,109</u>
Less accumulated depreciation for:					
Buildings	(2,551,997)	-	(221,993)	-	(2,773,990)
Machinery and equipment	(11,665,332)	-	(1,485,776)	2,755	(13,148,353)
Infrastructure	<u>(47,627,385)</u>	<u>-</u>	<u>(1,142,456)</u>	<u>-</u>	<u>(48,769,841)</u>
Total accumulated depreciation	<u>(61,844,714)</u>	<u>-</u>	<u>(2,850,225)</u>	<u>2,755</u>	<u>(64,692,184)</u>
Total capital assets, being depreciated, net	<u>24,050,111</u>	<u>-</u>	<u>(506,059)</u>	<u>2,755</u>	<u>24,558,925</u>
Governmental activities capital assets, net	<u>\$25,598,660</u>	<u>\$ -</u>	<u>\$ (506,059)</u>	<u>\$ (33,701)</u>	<u>\$ 26,071,018</u>

	<u>Beginning Balance</u>	<u>Transfers</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Business-type activities:</u>					
Capital assets, not being depreciated:					
Land	\$ 1,622,554	\$ -	\$ -	\$ -	\$ 1,622,554
Construction in progress	<u>396,410</u>	<u>-</u>	<u>316,401</u>	<u>(396,410)</u>	<u>316,401</u>
Total capital assets, not being depreciated	<u>2,018,964</u>	<u>-</u>	<u>316,401</u>	<u>(396,410)</u>	<u>1,938,955</u>
Capital assets, being depreciated:					
Buildings	16,262,653	-	203,826	(10,184)	16,456,295
Machinery and equipment	22,704,976	-	1,968,653	(535,987)	24,137,642
Infrastructure	<u>100,327,068</u>	<u>-</u>	<u>7,009,148</u>	<u>(611,404)</u>	<u>106,724,812</u>
Total capital assets, being depreciated	<u>139,294,697</u>	<u>-</u>	<u>9,181,627</u>	<u>(1,157,575)</u>	<u>147,318,749</u>
Less accumulated depreciation for:					
Buildings	(3,420,291)	-	(423,286)	10,184	(3,833,393)
Machinery and equipment	(10,576,900)	-	(2,411,757)	584,038	(12,404,619)
Infrastructure	<u>(39,181,558)</u>	<u>-</u>	<u>(3,351,520)</u>	<u>563,353</u>	<u>(41,969,725)</u>
Total accumulated depreciation	<u>(53,178,749)</u>	<u>-</u>	<u>(6,186,563)</u>	<u>1,157,575</u>	<u>(58,207,737)</u>
Total capital assets, being depreciated, net	<u>86,115,948</u>	<u>-</u>	<u>2,995,064</u>	<u>-</u>	<u>89,111,012</u>
Business-type activities capital assets, net	<u>\$ 88,134,912</u>	<u>\$ -</u>	<u>\$ 3,311,465</u>	<u>\$ (396,410)</u>	<u>\$91,049,967</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General administration	\$ 162,300
Public safety	898,119
Highways and streets	909,730
Economic development	358,246
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>521,830</u>
Total depreciation expense – governmental activities	<u>\$ 2,850,225</u>
Business-type activities:	
Community Network Services	\$ 1,129,150
Electric	1,564,392
Landfill	591,367
Water and Sewer	1,234,537
Non major business-type activities	<u>1,667,117</u>
Total depreciation expense – business-type activities	<u>\$ 6,186,563</u>

CONSTRUCTION COMMITMENTS

The City has the following active construction projects as of December 31, 2012:

	<u>Project Authorization</u>	<u>Expended To Date</u>	<u>Total Commitment</u>	<u>GEFA Funding</u>	<u>Grant Funding</u>	<u>Total Funding</u>
Water and Sewer Prjects (GEFA)	<u>\$ 24,931,000</u>	<u>\$ 479,874</u>	<u>\$ 24,451,126</u>	<u>\$ 22,951,126</u>	<u>\$ 1,500,000</u>	<u>\$24,451,126</u>

DISCRETELY PRESENTED COMPONENT UNITS

Activity for the Downtown Development Authority (DDA) for the year ended December 31, 2012, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 40,706	\$ -	\$ -	\$ 40,706
Total capital assets, not being depreciated	<u>40,706</u>	<u>-</u>	<u>-</u>	<u>40,706</u>
Capital assets, being depreciated:				
Buildings	12,529,283	-	-	12,529,283
Infrastructure	<u>136,921</u>	<u>-</u>	<u>-</u>	<u>136,921</u>
Total capital assets, being depreciated	<u>12,666,204</u>	<u>-</u>	<u>-</u>	<u>12,666,204</u>
Less accumulated depreciation for:				
Buildings	(1,789,826)	(313,232)	-	(2,103,058)
Infrastructure	<u>(35,840)</u>	<u>(9,128)</u>	<u>-</u>	<u>(44,968)</u>
Total accumulated depreciation	<u>(1,825,666)</u>	<u>(322,360)</u>	<u>-</u>	<u>(2,148,026)</u>
Total capital assets, being depreciated, net	<u>10,840,538</u>	<u>(322,360)</u>	<u>-</u>	<u>10,518,178</u>
DDA capital assets, net	<u>\$ 10,881,244</u>	<u>\$ (322,360)</u>	<u>\$ -</u>	<u>\$ 10,558,884</u>

Activity for the Payroll Development Authority (PDA) for the year ended December 31, 2012, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 3,972,555	\$ 43,763	\$ -	\$ 4,016,318
Total capital assets, not being depreciated	<u>3,972,555</u>	<u>43,763</u>	<u>-</u>	<u>4,016,318</u>
Capital assets, being depreciated:				
Machinery and equipment	<u>296,333</u>	<u>-</u>	<u>-</u>	<u>296,333</u>
Total capital assets, being depreciated	<u>296,333</u>	<u>-</u>	<u>-</u>	<u>296,333</u>
Less accumulated depreciation for:				
Machinery and Equipment	<u>(108,658)</u>	<u>(9,878)</u>	<u>-</u>	<u>(118,536)</u>
Total accumulated depreciation	<u>(108,658)</u>	<u>(9,878)</u>	<u>-</u>	<u>(118,536)</u>
Total capital assets, being depreciated, net	<u>187,675</u>	<u>(9,878)</u>	<u>-</u>	<u>177,797</u>
PDA capital assets, net	<u>\$ 4,160,230</u>	<u>\$ 33,885</u>	<u>\$ -</u>	<u>\$ 4,194,115</u>

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund balances consist of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time between the dates that interfund goods or services are provided or reimbursable expenditures occur, transactions are recorded in the accounting period, and payments between funds are made. The City expects to repay all interfund balances within one year. The composition of interfund balances as of December 31, 2012, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Landfill	\$ 299,378
	Nonmajor Governmental	1,828,493
	Nonmajor Enterprise	8,365,763
	Internal Service	1,038,098
Electric	General	11,246,154
	CNS	14,721,918
	Water and Sewer	1,517,384
	Internal Service	1,720,648
	Nonmajor Enterprise	150,190
Nonmajor Enterprise	Water and Sewer	5,062,925
Nonmajor Governmental	Internal Service	297,408
SPLOST	Nonmajor Governmental	36,849
Internal Service Funds	Nonmajor Enterprise	<u>189,298</u>
Total		<u>\$ 46,474,506</u>

Transfers are used to report revenues and expenditures from and to funds that statute or budget requires to be collected and expended. In addition, transfers are used to report unrestricted revenues collected in the general fund to finance various programs accounted for in the other funds in accordance with budgetary authorizations and to return money to the fund from which it was originally provided, once a project is completed. All transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer. Transfers between funds during the year were as follows:

<u>Transfers In</u>	<u>Amount</u>	<u>Transfers Out</u>	<u>Amount</u>
General	\$ 9,515,271	Electric	\$ 6,641,436
		Community Network Services	50,000
		Nonmajor Governmental Funds	117,955
		Nonmajor Business-Type	1,710,000
		Water and Sewer	995,880
Nonmajor Business-Type	234,750	Nonmajor Governmental Funds	234,750
Water and Sewer	<u>158,981</u>	Nonmajor Business-Type	<u>158,981</u>
Total Transfers In	<u>\$ 9,909,002</u>	Total Transfers Out	<u>\$ 9,909,002</u>

LONG-TERM DEBT

Notes Payable

Notes payable at December 31, 2012, are as follows:

	Original Principal Amount	Governmental Activities	Business-Type Activities
Note Payable due in monthly installments of \$10,379, including interest at 2.00%	\$ 1,083,615	\$ 875,578	\$ -
Note Payable due in monthly installments of \$8,093, including interest at 2.00%	380,009	-	198,037
Note Payable due in monthly installments of \$3,544, including interest at 2.00%	307,847	-	236,163
Note Payable due in monthly installments of \$21,400, including interest at 2.2875%	782,285	-	320,885
Note Payable due in monthly installments of \$2,930, including interest at 2.2875%	226,410	169,933	-
Note Payable due in monthly installments of \$28,890, including interest at 2.2875%	1,057,994	-	435,212
Note Payable due in monthly installments of \$23,000, including interest at 2.00%	1,155,740	-	641,811
Note Payable due in monthly installments of \$6,000, including interest at 2.00%	757,989	-	643,316
Note Payable due in monthly installments of \$8,100, including interest at 2.2875%	517,411	355,188	-
Note Payable due in monthly installments of \$4,817, including interest at 2.00%	296,472	-	193,014
Note Payable due in monthly installments of \$9,858, including interest at 2.00%	143,167	-	-
Note Payable due in monthly installments of \$1,300, including interest at 2.00%	114,409	88,189	-
Note Payable due in monthly installments of \$1,600, including interest at 2.2875%	146,463	116,904	-
Note Payable due in monthly installments of \$9,100, including interest at 2.2875%	1,265,389	-	1,121,540
Note Payable due in monthly installments of \$730, including interest at 2.00%	63,028	-	48,243
Note Payable due in monthly installments of \$2,750, including interest at 2.2875%	245,518	194,364	-
Note Payable due in monthly installments of \$900, including interest at 2.2875%	78,797	-	61,968
Note Payable due in monthly installments of \$7,000, including interest at 2.2875%	632,608	-	502,829
Note Payable due in monthly installments of \$4,705, including interest at 2.00%	1,222,634	-	1,167,687
Note Payable due in monthly payments of accrued interest at 2.50%	1,500,000	668,125	-
Note Payable due in monthly installments of \$12,000, including interest at 2.80%	1,000,000	-	2,335,990
Note Payable due in monthly payments of \$15,946, including interest at 0.00%	693,439	-	726,316
Note Payable due in monthly payments of accrued interest at 2.00%	972,000	-	972,000
Note Payable due in monthly installments of \$8,600, including interest at 2.2875%	1,234,169	-	1,100,376
		<u>\$ 2,468,281</u>	<u>\$ 10,705,387</u>

Notes payable annual debt service requirements are as follows:

	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
Fiscal year ending December 31,						
2013	\$ 957,701	\$ 35,132	\$ 992,833	\$ 1,796,330	\$ 206,732	\$ 2,003,062
2014	295,911	28,797	324,708	1,382,182	176,116	1,558,298
2015	302,388	22,320	324,708	977,699	155,641	1,133,340
2016	290,546	15,769	306,315	800,328	140,549	940,877
2017	216,896	10,612	227,508	678,304	126,724	805,028
2018-2022	404,839	9,656	414,495	2,432,909	451,838	2,884,747
2023-2027	-	-	-	1,168,992	243,518	1,412,510
2028-2032	-	-	-	872,739	129,561	1,002,300
2033-2037	-	-	-	499,999	29,833	529,832
2038-2042	-	-	-	95,905	1,800	97,705
2043-2044	-	-	-	-	-	-
	<u>\$ 2,468,281</u>	<u>\$ 122,286</u>	<u>\$ 2,590,567</u>	<u>\$ 10,705,387</u>	<u>\$ 1,662,312</u>	<u>\$ 12,367,699</u>

The primary government has incurred debt to the Georgia Environmental Facilities Authority (GEFA) for various water and sewer system projects. These notes are as follows at December 31, 2012:

	Original Principal Amount	Governmental Activities	Business-Type Activities
Note Payable due in quarterly installments of \$7,769, including interest at 3.00%	\$ 2,146,509	\$ -	\$ 2,180,086
Note Payable due in monthly installments of \$1,302, including interest at 4.39%	126,269	-	94,954
		<u>\$ -</u>	<u>\$ 2,275,040</u>

GEFA notes payable annual debt service requirements are as follows:

	Business-Type Activities		
	Principal	Interest	Total
Fiscal year ending December 31,			
2013	\$ 128,764	\$ 64,720	\$ 193,484
2014	132,847	60,636	193,483
2015	137,063	56,420	193,483
2016	141,415	52,069	193,484
2017	145,909	47,574	193,483
2018-2022	753,654	168,179	921,833
2023-2027	835,388	50,679	886,067
2028-2032	-	-	-
	<u>\$ 2,275,040</u>	<u>\$ 500,277</u>	<u>\$ 2,775,317</u>

The City has financed the purchase of equipment and vehicles through Georgia Municipal Association Lease Pool. These notes are as follows at December 31, 2012:

	Original Principal Amount	Governmental Activities	Business-Type Activities
Note Payable due in annual installments of \$5,453, plus monthly interest payments at variable rates	\$ 27,267	\$ -	\$ 10,908
Note Payable due in annual installments of \$51,197, plus monthly interest payments at variable rates	255,983	-	102,392
Note Payable due in annual installments of \$4,674 plus monthly interest payments at variable rates	23,370	-	9,348
Note Payable due in annual installments of \$4,674, plus monthly interest payments at variable rates	23,370	-	9,348
Note Payable due in annual installments of \$4,611, plus monthly interest payments at variable rates	23,057	18,446	-
Note Payable due in annual installments of \$6,046, plus monthly interest payments at variable rates	30,228	24,182	-
Note Payable due in annual installments of \$3,713, plus monthly interest payments at variable rates	14,850	11,138	-
Note Payable due in annual installments of \$4,040, plus monthly interest payments at variable rates	20,199	16,159	-
Note Payable due in annual installments of \$108,105, plus monthly interest payments at variable rates	324,315	216,210	-
Note Payable due in annual installments of \$6,805, plus monthly interest payments at variable rates	34,024	27,219	-
Note Payable due in annual installments of \$5,781, plus monthly interest payments at variable rates	28,903	28,903	-
Note Payable due in annual installments of \$27,228, plus monthly interest payments at variable rates	81,684	81,684	-
Note Payable due in annual installments of \$5,781, plus monthly interest payments at variable rates	28,903	28,903	-
Note Payable due in annual installments of \$12,690, plus monthly interest payments at variable rates	38,071	38,071	-
Note Payable due in annual installments of \$15,506, plus monthly interest payments at variable rates	77,530	-	62,024
Note Payable due in annual installments of \$37,510, plus monthly interest payments at variable rates	187,550	-	150,040
Note Payable due in annual installments of \$5,787, plus monthly interest payments at variable rates	28,935	-	23,148
Note Payable due in annual installments of \$6,468, plus monthly interest payments at variable rates	32,340	-	25,872
Note Payable due in annual installments of \$6,991, plus monthly interest payments at variable rates	34,954	-	27,964
Note Payable due in annual installments of \$6,171, plus monthly interest payments at variable rates	30,853	-	24,682
Note Payable due in annual installments of \$4,611, plus monthly interest payments at variable rates	23,057	-	18,446
Note Payable due in annual installments of \$4,076, plus monthly interest payments at variable rates	20,380	-	16,304
		<u>\$ 490,915</u>	<u>\$ 480,476</u>

The variable interest on the GMA notes is based on the bond market association's swap index rate, which is calculated weekly. The interest rate varies depending on the City's pro-rata share of the cost pool. Service fees are also included based on forty basis points. The rate at December 31, 2012, was .472%.

GMA notes payable annual debt service requirements are as follows:

	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
Fiscal year ending December 31,						
2013	\$ 184,800	\$ 4,001	\$ 188,801	\$ 153,118	\$ 8,516	\$ 161,634
2014	184,800	4,001	188,801	153,117	5,201	158,318
2015	76,695	1,660	78,355	87,120	1,886	89,006
2016	33,064	716	33,780	87,121	1,886	89,007
2017	11,556	250	11,806	-	-	-
	<u>\$ 490,915</u>	<u>\$ 10,628</u>	<u>\$ 501,543</u>	<u>\$ 480,476</u>	<u>\$ 17,489</u>	<u>\$ 497,965</u>

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2012, was as follows:

	Balance January 1, 2012	Additions	Reductions	Balance December 31, 2012	Due Within One Year
<u>Governmental Activities:</u>					
Notes Payable - Bank	\$ 3,210,651	\$ -	\$ 742,370	\$ 2,468,281	\$ 957,701
Notes Payable - GMA	194,904	624,234	328,223	490,915	184,800
Net OPEB Obligation	2,450,234	1,086,700	621,309	2,915,625	-
Compensated Absences	136,356	25,325	24,497	137,184	27,437
Governmental Activity Long-term Liabilities	<u>\$ 5,992,145</u>	<u>\$ 1,736,259</u>	<u>\$ 1,716,399</u>	<u>\$ 6,012,005</u>	<u>\$ 1,169,938</u>

	Balance January 1, 2012	Additions	Reductions	Balance December 31, 2012	Due Within One Year
Business-Type Activities					
Notes Payable - Bank	\$ 10,000,964	\$ 2,618,119	\$ 1,913,696	\$ 10,705,387	\$ 1,796,330
Notes Payable - GMA	229,129	435,599	184,252	480,476	153,118
Notes Payable - GEFA	2,252,650	103,491	81,101	2,275,040	128,764
Accrued Landfill Closures and Post-closure Costs	3,888,795	255,388	-	4,144,183	-
Compensated Absences	92,758	16,367	11,132	97,993	19,598
Business-Type Activity Long-term Liabilities	<u>\$ 16,464,296</u>	<u>\$ 3,428,964</u>	<u>\$ 2,190,181</u>	<u>\$ 17,703,079</u>	<u>\$ 2,097,810</u>

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. Also, for the governmental activities, compensated absences are generally liquidated by the general fund.

The net OPEB obligation is currently recorded in the self insurance internal service fund. As a result, ultimately this liability will be charged out and liquidated by the various benefiting funds of the City.

Long-Term Debt – Downtown Development Authority

Long-term debt for the Downtown Development Authority (Discretely Presented Component Unit) consists of notes and bonds to finance capital assets for economic development. Notes and bonds currently outstanding are as follows:

Notes Payable:

2012

Note payable to Thomasville National Bank,
secured by real estate. Interest rate at 2.50% (2011).
Interest rate at 2.50% (2012). The note matures
in December annually.

\$ 117,185

Long-Term Debt – Downtown Development Authority (continued)

Notes Payable (continued):

2012

Note payable to Thomasville National Bank,
secured by real estate. Interest rate at 2.50% (2011).
Interest rate at 2.50% (2012). The note matures
in December annually.

2,461,128

Note payable to Georgia Cities Foundation Revolving
Loan Fund Program. Monthly payments at \$1,726
including interest at 3%. The note matures
March 2014.

117,936

Note payable to Georgia Department of Community
Affairs (GHFA). Monthly payments at \$1,726
including interest at 3%. The note matures
March 2014.

117,936

Bond Payable:

Variable Rate Taxable Bonds (Flowers Food, Inc.
Project). Secured by revenues of the project and letter of
credit. Variable interest rate payable monthly. The bonds
will mature on April 1, 2027.

8,401,250

Total

11,215,435

Less: Current Portion

2,786,899

Long-term Debt, Net of Current Portion

\$ 8,428,536

Long-Term Debt – Downtown Development Authority (continued)

Maturities of long-term debt will expire as follows:

<u>Years ending December 31,</u>	<u>Notes</u>	<u>Bond</u>	<u>Total</u>
2013	\$ 2,613,149	\$ 173,750	\$ 2,786,899
2014	201,036	195,000	396,036
2015	-	218,750	218,750
2016	-	240,000	240,000
2017	-	263,750	263,750
2018-2022	-	1,652,500	1,652,500
2023-2027	-	5,657,500	5,657,500
Total	<u>\$ 2,814,185</u>	<u>\$ 8,401,250</u>	<u>\$ 11,215,435</u>

Conduit Debt

The Thomasville Payroll Development Authority and the Thomasville Downtown Development Authority have issued taxable certificates to finance various projects to improve the economic development of the City of Thomasville. The taxable certificates are limited obligations of the Authorities and are payable only from lease rental income from these projects. The bonds do not constitute an indebtedness or pledge of the faith and credit of the Authorities or of the City of Thomasville. The total amount outstanding on these certificates from these Authorities as of December 31, 2012, was \$6,249,590.

NET ASSETS: INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT

A significant portion of the City's total net assets are invested in capital assets. This balance is reported as a separate category on the Statement of Net Assets. The balances reported as of December 31, 2012 are calculated as follows:

	<u>General Government</u>	<u>Internal Service</u>	<u>Total Governmental</u>	<u>Total Business-Type</u>
Total Capital Assets, Net of Accumulated Depreciation	\$22,727,235	\$ 3,343,783	\$26,071,018	\$ 91,049,967
Less: Total Long-term Debt on Government-Wide Statements				
Short-term Portion	(1,001,222)	(168,716)	(1,169,938)	(2,097,810)
Long-term Portion	(1,290,979)	(3,551,088)	(4,842,067)	(15,605,269)
Add: Items Not Related to Capital Assets				
Accrued Landfill Closure Costs	-	-	-	4,144,183
Net OPEB Obligation	-	2,915,625	2,915,625	-
Compensated Absences	70,936	66,247	137,183	97,994
Operational Debt (Not Capital Asset Related)	<u>432,363</u>	<u>-</u>	<u>432,363</u>	<u>-</u>
Investment in Capital Assets, Net of Related Debt	<u>\$20,938,333</u>	<u>\$ 2,605,851</u>	<u>\$23,544,184</u>	<u>\$ 77,589,065</u>

GOVERNMENTAL FUND BALANCE CLASSIFICATION

Fund balances for all major and nonmajor governmental funds as of December 31, 2012 were as follows:

	General	SPLOST	Nonmajor	Total Governmental Funds
Fund Balances				
Nonspendable:				
Prepaid Expenses	\$ 67,881	\$ -	\$ 8,194	\$ 76,075
Restricted for:				
Capital Projects	-	5,992,574	129,595	6,122,169
Asset Forfeiture	-	-	109,061	109,061
Economic Development	-	-	37,793	37,793
Cemetery Perpetual Care	-	-	36,941	36,941
Unassigned to:	(67,281)	-	(1,808,965)	(1,876,246)
Total	<u>\$ 600</u>	<u>\$ 5,992,574</u>	<u>\$ (1,487,381)</u>	<u>\$ 4,505,793</u>

RESTRICTED ASSETS

The City has restricted cash for the following purposes:

General Reserve - Utilities	\$ 101,064
Water Reserve	976
Gas Renewal and Extensions	661
SPLOST	5,698,343
Sewer Reserve	<u>7,873</u>
Total Restricted Cash	<u>\$ 5,808,917</u>

The City has restricted investments for the following purposes:

SPLOST	\$ 3,230
MEAG Power Cost Reduction	4,298,594
Meter Deposits	<u>956,614</u>
Total Restricted Investments	<u>\$ 5,258,438</u>

NOTE 4 - OTHER INFORMATION

HOTEL/MOTEL LODGING TAX

The City Council approved giving 100% of the hotel/motel tax received by the City of Thomasville to the Destination Thomasville Tourism Authority (DTTA) (a component unit of the City of Thomasville) for use in the operating expenses for the promotion of tourism. During the year ended December 31, 2012, 100% of tax receipts were expended. The City collected and transferred revenues of \$194,273 to the DTTA and Thomas County transferred \$54,455 to the DTTA. The DTTA expended monies of \$383,847.

RISK MANAGEMENT

The City is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the State for its comprehensive general liability coverage as part of the Georgia Interlocal Risk Management Agency (GIRMA) which is a public entity risk pool currently operating as a common risk management and insurance program for member local governments. The Georgia Municipal Association (GMA) administers the risk pool.

As part of this risk pool, the City is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the fund.

The fund is to defend and protect the members of the fund against liability or loss as prescribed in the member governments' contracts. The fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Coverage for the comprehensive general liability through the Georgia Interlocal Risk Management Agency is subject to a \$5,000 deductible per occurrence with a comprehensive general and law enforcement liability up to \$1,000,000, automobile liability of \$1,000,000 and public officials and employment practices liability of \$1,000,000 (aggregate limit \$5,000,000). The City is not aware of any claims outstanding for comprehensive general liability at December 31, 2012.

The City is self-insured for workers' compensation and unemployment compensation. The City has a stop loss insurance policy from a private insurance company for claims in excess of \$500,000 for workers' compensation.

As of December 31, 2012, the City has estimated a liability related to reported and unreported claims for workers' compensation and unemployment compensation and their related administrative expenses, which was incurred on or before December 31, 2012, but was not paid by the City as of that date. These claims incurred but not yet reported (IBNR) were estimated by the City to be \$6,500. The

estimate is based on the ultimate cost of settling the claims, which includes the effect of inflation and other social and economic factors, which could be reasonably estimated as of December 31, 2012.

The City is also self-insured for medical and dental claims by its employees and its employees' dependents who are covered under the employee health insurance plan. The City has a stop loss policy from a private insurance company for medical claims in excess of \$110,000 per employee and \$75,000 in aggregate.

At December 31, 2012, the City has reported a liability for medical and dental claims of \$961,219, which represents reported and unreported claims and the related administrative expenses which were incurred on or before December 31, 2012, but were not paid by the City as of that date. The amounts for medical and dental claims not reported to the City were estimated using historical cost data and analysis of subsequent payments. Settlements under commercial policies have not exceeded insurance coverage for each of the past three fiscal years.

Changes in the balances of claims liabilities for medical, dental, and workers compensation during the past two years are as follows:

	Year ended <u>12/31/12</u>	Year ended <u>12/31/11</u>
Unpaid claims, beginning of fiscal year	\$ 574,143	\$ 672,718
Incurred claims (including IBNRs)	5,947,531	4,525,557
Claim payments	<u>(5,560,455)</u>	<u>(4,624,132)</u>
Unpaid claims, end of fiscal year	<u>\$ 961,219</u>	<u>\$ 574,143</u>

RELATED ORGANIZATIONS

The City's officials are also responsible for appointing the members of the boards of other organizations; however, the City's accountability for the organizations does not extend beyond making the appointments. The City Council appoints board members to the Hospital Authority and Library Board.

Housing Authority of Thomasville

The Housing Authority of Thomasville is a legally separate entity and is not accountable, financially or otherwise, to the City of Thomasville. Additionally, the City has no equity interest in the Authority, nor is it liable for any debts incurred by the Authority. To obtain more information about the Authority, including its separate financial statements, write to College Terrace Community Building, 216 South College Street, Thomasville, Georgia or call (229) 228-1460.

JOINTLY GOVERNED ORGANIZATION

South Georgia Governmental Services Authority (SGGSA)

The South Georgia Governmental Services Authority was created by the South Georgia Governmental Services Authority Act (State of Georgia, House Bill 879), signed into law March 2001, for the purpose of providing governmental, proprietary, and administrative services and facilities to the City of Cairo, the City of Camilla, the City of Moultrie, and the City of Thomasville (member cities). Two members of the Board of Directors of the Authority represent each member city. The Board of Directors has the power to levy and collect annual dues from the members. Each member city will report its investment in the cable/broadband system and report its assets, liabilities, expenditures/expenses and revenues under an implied right of use in the regional components. The City of Thomasville reflects its regional assets in the Community Network Services Fund. In 2004, each member city was allocated a portion of the net assets of the South Georgia Business and Development Authority (SGBDA) which was recorded as a capital contribution. For more information, including financial statements of the Authority, write to Post Office Box 1675, Thomasville, Georgia or call (229) 225-9000.

The City of Thomasville provides management and administrative services to the Authority. At December 31, 2012, the Authority owes the City \$672,122.

JOINT VENTURES

Southwest Georgia Regional Commission

The City of Thomasville, in conjunction with cities and counties in the fourteen (14) county Southwest Georgia area, is a member of the Southwest Georgia Regional Commission (SGRC). Membership in an SGRC is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the SGRC's. Each county and municipality in the state is required by law to pay minimum annual dues to the SGRC. The SGRC board membership includes the chief elected official of each county and the chief elected official of each municipality. The county board members and municipal board members from the same county elect one member of the board who is a resident (but not an elected or appointed official or employee of the county or municipality) to serve as the non-public board member from a county.

The SGRC is not accumulating significant financial resources and is not experiencing financial stress that may cause an additional financial benefit or burden to the City of Thomasville.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines SGRCs as "public agencies and instrumentalities of their members." Georgia laws also provide that the member governments are liable for any debts or obligations of an SGRC beyond its resources (O.C.G.A. 50-8-39.1). For more information, including financial statements of the SGRC, write to Post Office Box 346, Camilla, Georgia.

OTHER ORGANIZATIONS

Thomas County Emergency Services Agency

The governing bodies of Thomas County, Georgia and the City of Thomasville, Georgia, consolidated emergency services, consisting of fire protection services, emergency medical services, emergency management and 911 services for the citizens of Thomas County and the City of Thomasville through the establishment of an emergency services mutual aid pact, "the Thomasville Emergency Services Board." The emergency services mutual aid pact was replaced by an Authority/Agency established by the Georgia legislature (State of Georgia, House Bill 692). The City is not financially accountable for the Thomas County Emergency Services Agency; therefore, the accompanying general-purpose financial statements do not include the Thomas County Emergency Services Agency.

On November 25, 2002, the City and County adopted a joint resolution to disband the consolidated operations and distribute the property and equipment of the Agency to the respective governmental units. Effective January 3, 2003, each governmental unit was responsible for providing the emergency services as designated in the resolution. At December 31, 2011, the Agency had a note payable for \$335,304, of which the City and County were each guarantee of half. The remaining principal was paid in 2012 reducing the balance to zero.

LANDFILL AGREEMENT

In 1973, the City of Thomasville and Thomasville County entered into an agreement to operate a landfill. Under this agreement, Thomas County provided the land (but retains title) for the landfill and the City performed all aspects of the operations including, but not limited to budgeting, accounting, purchasing, billing, staffing, and engineering.

The original agreement was modified several times over the years. However, the terms of the agreement continue to require the City to perform all aspects of the landfill operations including, but not limited to budgeting, accounting, purchasing, billing, staffing, and engineering and to record its activities in the Landfill Enterprise Fund.

In March 2002, a new agreement between the City and Thomas County was entered into to clarify certain issues. Pursuant to this new agreement, any income generated from the landfill inures to a fund known as the Thomasville/Thomas County Landfill Enterprise Fund. Further, the operation of the landfill is the responsibility of the City and shall be treated as an enterprise separate from all other activities of the City with its own books and records. The City records all Landfill operations and activities in a separate enterprise fund known as the Landfill Enterprise Fund.

The new agreement also requires the annual determination of funds available for distribution by the City and Thomas County, along with the manner of distribution. Unless otherwise agreed upon within the time restrictions provided, the funds available for distribution will be payable in equal shares to the respective General Funds of the City and Thomas County. Funds available for distribution are based on end of year cash balances net of certain reserves for operations, capital, and closure/post closure care.

LANDFILL CLOSURE AND POST CLOSURE CARE COSTS

State and federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The liability for landfill closure and post closure care at December 31, 2012, of \$4,144,183 represents the cumulative amount reported to date. This liability includes \$1,005,158 post closure care costs on the Phase II landfill which was closed in 1998, as well as \$3,139,025 closure and post closure care costs on the Phase IV landfill which was opened in 1998 and Phase III landfill which was opened in 2001. As of December 31, 2012, approximately 19% of the total estimated capacity of the Phase IV and Phase III landfills has been used. The estimated remaining life of Phase IV and Phase III is 64 and 34 years, respectively. The government will recognize the remaining estimated cost of closure and post closure care of \$13,277,617 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post closure care in 2012. Actual cost may be higher because of inflation, changes in technology, or changes in regulations.

OTHER POST EMPLOYMENT BENEFITS (OPEB)

The cost of postemployment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future years when it will be paid. In adopting the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* for the year ended December 31, 2012, the City recognizes the cost of postemployment benefits in the year employee services are received, reports a Net OPEB Obligation, and provides information useful in assessing potential demands on the City's future cash flows. The OPEB plan is part of the financial statements of the City. A single financial report is not required.

Plan Description

The City provides postretirement health benefits, as required by a local ordinance, for certain employees (and dependents), who retire under the City's Defined Benefit Plan. The City's OPEB plan is a single employer plan that covers all full-time regular employees hired before June 1, 2000. The plan continues until the retiree reaches 65 years of age. As of December 31, 2012, the membership consisted of:

	Number	Average Age
Retirees (including disabilities, spouses, and dependent children) currently covered	38	60
Active employees under age 65	63	48

The City reimburses 75% of the amount of validated claims for medical and hospitalization costs incurred by qualified retirees and their dependents until the employee's out of pocket expenses reach \$3,750, at which time the City pays 100% of the costs.

Funding Policy

The City currently funds post employment benefits on a pay-as-you-go basis with retired employees' dependents contributing on average 15% of their claims including expenses.

Annual Other Post Employment Benefit Cost and Net OPEB Obligation

The City's annual other post employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The City may apply GASB No. 45 prospectively. During the implementation year, the City started with a zero financial statement liability. From that point forward, the City will accumulate a liability called a Net OPEB Obligation, if and to the extent its actual contributions are less than the annual OPEB cost.

The Net OPEB Obligation in the financial statements was \$2,915,625 as of December 31, 2012.

Annual required contribution (ARC)	\$ 1,222,050
Interest on net OPEB obligation	<u>98,006</u>
Annual OPEB cost	1,320,056
Adjustments to obligation	(233,356)
Contributions made during the year	<u>(621,309)</u>
Increase in net OPEB obligation	465,391
Net OPEB obligation – beginning of year	<u>2,450,234</u>
Net OPEB obligation – end of year	<u>\$ 2,915,625</u>

Additional Actuarial Information, Plan Year Ended December 31, 2012

Valuation date:	January 1, 2013
Actuarial cost method:	Aggregate
Amortization method:	N.A.
Actuarial assumptions:	
Investment rate of return	4.00%
Projected salary increases*	5.00%
* Includes inflation at	3.00%
Medical cost inflation:	8.00% in 2012, decreasing 1.00% per year to 1.00% in 2019 and later, plus general inflation of 3.00%.
Medical Claims Cost:	\$8,000 at age 50 increasing \$300 per year of age to age 65.

Trend Information

<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
12/31/2009	\$ 1,222,624	23.71%	\$ 932,714
12/31/2010	\$ 1,259,933	44.72%	\$ 1,629,248
12/31/2011	\$ 1,287,794	36.25%	\$ 2,450,234
12/31/2012	\$ 1,086,703	57.17%	\$ 2,915,625

Aggregate Actuarial Cost Method: All actuarial present values are funded over the working lifetime of current employees since the plan was closed to new hires after June 1, 2000. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions (ARC) of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Schedule of Funding Progress

<u>Plan Year Ending</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll [(b-a) / c]</u>
12/31/2008	\$ -	\$ 9,178,000	\$ 9,178,000	0.00%	\$ 3,805,797	241.16%
12/31/2009	\$ -	\$ 8,636,061	\$ 8,636,061	0.00%	\$ 3,916,070	220.53%
12/31/2010	\$ -	\$ 8,072,445	\$ 8,072,445	0.00%	\$ 3,595,758	224.50%
12/31/2011	\$ -	\$ 6,723,000	\$ 6,723,000	0.00%	\$ 3,652,125	184.08%
12/31/2012	\$ -	\$ 6,082,714	\$ 6,082,714	0.00%	\$ 3,451,791	176.22%

The aggregate actuarial cost method is used for funding purposes. However, because this method does not identify or separately amortize unfunded actuarial liabilities, the entry age actuarial cost method has been used to provide required information about the funded status and funding progress. The information presented in this schedule is intended to approximate the funding progress of the plan based on the use of the aggregate actuarial cost method.

EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

A. Defined Contribution Plan

Effective June 1, 2000, in accordance with the City Charter, the City created the City of Thomasville Retirement Savings Plan, a money purchase defined contribution plan. The plan is available to all full-time employees. An independent party, HARTFORD, who maintains an account for each Participant, has been selected to administer the plan. The City will contribute 1.75% of each plan participant's base salary. In addition, the City will make a matching contribution based on the amount that each participant defers under the Employers 457 plan, limited to an employer contribution of 6%. Benefits depend solely on amounts contributed to the plan and investment earnings, reduced by expenses and investment losses. Participants are vested in and entitled to all balances in their accounts after five years of service. The City has the right to amend the plan by resolution. For the year ended December 31, 2012, the City contributed \$586,249 to the defined contribution plan. There were no employee contributions to this plan.

B. Defined Benefit Plan

Plan Description

The City of Thomasville Public Employee Retirement System (PERS) covered full-time employees of the City of Thomasville and its related agencies until closed in 2002. The PERS is the administrator of a single-employer defined benefit pension plan that was established by the City in accordance with the City Charter and Georgia State Statutes. Assets are held separately and may be used only for the payment of benefits to the members of the PERS. The defined benefit plan is part of the GAAP financial information of the City. A single financial report is not required. Unless otherwise indicated, PERS information is provided as of the latest actuarial valuation, January 1, 2013. Actuarial valuations are performed bi-annually and involved estimates of the value of reported amounts and assumptions about the probability of events far into the future and are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Further, actuarial calculations reflect a long-term perspective. For additional information relating to the basis of accounting and reported investment values, see Notes 1 and 3.

As of December 31, 2012, employee membership data related to the pension plan was as follows:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	119
Active plan participants	<u>69</u>
Total	<u>188</u>

The Plan was adopted in 1949 and amended through January 1, 2002. Commencing January 1, 1997, all full-time employees are eligible for Plan membership. Previously, six months of continuous service was required. Any employee whose employment with the City is terminated, and who later becomes re-employed by the City after December 31, 1996, will be treated as a new employee, and his/her prior service with the City will not be recognized for pension benefits. Employee means any person performing regular services in the employ of the City, in each and all departments thereof, except the mayor and members of the City Council, who are performing services in elective positions, as well as the following part-time employees: the City attorney, the City auditor, the City physician, and all employees of the public school system. In June 2000, the Plan was closed to new members and employees were allowed to transfer to a defined contribution plan. Pension service up to 5 years may be repurchased at 8.5% annual interest subject to certain requirements.

Funding Policy

Employees are required by City ordinance to make contributions to the Pension Plan as follows:

Effective January 1, 1999 through February 11, 2000 - 3.00% of monthly salary;
from February 11, 2000 through January 8, 2001 - 3.75%;
from January 8, 2001 through January 11, 2002 - 4.00%;
from January 11, 2002 through September 1, 2003 - 5.00%;
from September 1, 2003 through December 31, 2004 - 6.50%; and
from January 1, 2005 through December 31, 2012 - 7.5%.

The City is required by City ordinance to make contributions to the Pension Plan as follows:

Effective January 1, 1999 through February 11, 2000 - 3.00% of covered payroll;
from February 11, 2000 through January 8, 2001 - 4.25%;
from January 8, 2001 through January 11, 2002 - 4.50%;
from January 11, 2002 through September 1, 2003 - 6.00%;
from September 1, 2003 through December 31, 2004 - 7.50%;
from January 1, 2005 through December 31, 2005 - 10.5%; and
from January 1, 2006 through December 31, 2012 - 11.25%.

Accumulated employee contributions are employee contributions accumulated with interest, compounded annually as follows:

Effective prior to January 1, 1971 – 2.50%;
from January 1, 1971 through December 31, 1976 – 4.00%;
from January 1, 1977 through December 31, 2003 – 5.00%;
from January 1, 2004 through June 30, 2004 – 5.00%;
from July 1, 2004 through December 31, 2004 – 3.00%;
from January 1, 2005 through December 31, 2005 – 4.76%;
from January 1, 2006 through December 31, 2007 – 4.73%;
from January 1, 2008 through December 31, 2008 – 4.46%;
from January 1, 2009 through December 31, 2009 – 3.57%;
from January 1, 2010 through December 31, 2010 – 4.11%;
from January 1, 2011 through December 31, 2011 – 3.88%; and
from January 1, 2012 through December 31, 2012 – 2.63%.

The contribution requirements of Plan members and the City, as established, may be amended by the City Council. Administrative costs are funded with investment earnings.

Accrued Benefits, Retirement Provisions and Benefit Payment Provisions are as follows:

- Accrued Benefit

The sum of (1), (2), and (3) multiplied by (4)

- (1) 1.0% of Average Monthly Salary
- (2) 0.6% of Average Monthly Salary in excess of Breakpoint One
- (3) 0.6% of Average Monthly Salary in excess of Breakpoint Two
- (4) Years of Pension Service

Breakpoints One and Two are increased or decreased every January 1 and July 1, based on the Consumer Price Index (CPI-U) for the preceding periods of May 1 through October 31, and November 1 through April 30, respectively. For December 31, 2012, breakpoints are \$2,053 and \$4,738, respectively.

- Normal Retirement

Eligibility: Employees hired before January 1, 1997: The earlier of the attainment of age 60 and 10 years of Pension Service, or the completion of 30 years of City Service. Employees hired after December 31, 1996: The attainment of age 65 and 10 years of Pension Service.

Benefit is the accrued benefit to the date of retirement.

- Early Retirement

Eligibility: Employees hired before January 1, 1997: The later of attainment of age 55 and the completion of 20 years of Pension Service. Employees hired after December 31, 1996: The later of attainment of age 60 and the completion of 10 years of Pension Service.

Benefit is the accrued benefit to the date of retirement reduced by 0.5% for each month that Early Retirement precedes Normal Retirement. For employees hired before January 1, 1997, Normal Retirement for Early Retirement reduction purposes will be the earlier of age 60 or the completion of 30 years of City Service.

- Late Retirement

Eligibility: Retirement after attaining Normal Retirement age.

Benefit is the accrued benefit to the date of retirement.

- Disability Retirement

Eligibility

Totally and permanently disabled as determined by the Social Security Administration on or after the completion of five years of Pension Service while actively employed by the City.

Benefit is the accrued benefit based on the member's Average Monthly Salary at the time of disablement and the maximum of the service years in (a), (b) or (c):

- (a) Years of Pension Service at the time of disablement,
- (b) Anticipated Years of Pension Service at age 60; or
- (c) Anticipated Years of Pension Service to age 65 (not to exceed 20)

- Death Benefits Prior to Retirement

Eligibility

Death prior to receiving retirement benefits.

Benefit for a married Member with 10 years of Pension Service, the surviving spouse may elect either of the following:

- (a) An immediate monthly benefit payable for life equal to 100% of the Member's Accrued Benefit at the time of death,
- (b) A refund of the Member's Accumulated Employee Contributions

For all other Members, the Member's beneficiary will receive a refund of the Member's Accumulated Employee Contribution.

- Death Benefits After Retirement

If a Member and/or the Member's surviving spouse has not received in monthly installments a total benefit which exceeds the value of the Member's Accumulated Employee Contributions at the time of retirement, the difference will be paid to the designated beneficiary.

Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

- Vested Benefit Upon Termination of Employment

With less than 10 years of Pension Service, the Member will receive a refund of accumulated employee contributions.

With 10 or more years of Pension Service:

- (a) The Member may elect a refund of his Accumulated Employee Contributions; or
- (b) At Normal Retirement the Member will receive a benefit equal to his/her Accrued Benefit, based on his/her Average Monthly Salary and Years of Pension Service at termination and the Plan formula in effect at the time of retirement. Should a Member elect to leave his/her contributions in the pension fund and at a later date, decide to withdraw them, interest will be credited only to the date of termination

- Normal Form of Payment

Life annuity: a monthly benefit payable for life.

- Optional Forms of Payment

Joint and Survivor Annuity: a reduced monthly benefit payable to the Member for life, with 50%, 66.67%, 75% or 100% payable to the surviving spouse for his/her remaining lifetime.

Level Income Option: a monthly benefit larger than the Life Annuity amount payable until age 62, decreasing to a benefit smaller than the Life Annuity amount after age 62. At age 62, the Member would elect to start receiving Social Security benefits. The sum of the reduced pension benefit and the Social Security benefit after age 62 will approximately equal the increased pension benefit payable prior to age 62.

- Cost of Living Adjustments

Pension benefits receive semi-annual increases or decreases every January 1 and July 1, based on the Consumer Price Index (CPI-U) for the preceding periods May 1 through October 31, and November 1 through April 30, respectively. These adjustments are limited to 1.5% per each six-month period.

Members hired after December 31, 1996, will not receive these post-retirement adjustments.

- Actuarial Equivalence

Assumed to be equal to the current valuation assumptions.

Annual Pension Cost and Net Pension Asset

Beginning 2009, the City contributed in excess of the annual required contribution. As a result, the City recorded a net pension asset. During 2012, the City had accumulated excess required contributions and the entire amount was applied as a reduction of the Unfunded Actuarial Accrued Liability (UAAL). The net pension asset at December 31, 2012 totaled \$-0-. The net pension asset was calculated as follows:

Annual Required Contributions	\$ 1,376,045
Interest on Pension Asset	(178,799)
Adjustments to Annual Contributions	<u>50,669</u>
Annual Pension Cost	1,247,915
Contributions Made to the Plan	<u>(3,685,926)</u>
Decrease in Net Pension Asset	(2,438,011)
Net Pension Asset, Beginning of Year	<u>(574,341)</u>
Net Pension Asset, End of Year	\$ (3,012,352)
Applied to Reduce UAAL	<u>3,012,352</u>
Net Pension Asset on 12/31/2012	<u><u>\$ -0-</u></u>

Actuarial Valuation Information, Plan Year Ended December 31, 2012

Valuation date:	January 1, 2013
Actuarial cost method:	Individual Entry Age
Amortization method:	Level Percent, Closed
Remaining amortization period:	12 years
Asset valuation method:	5-year smoothing
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases*	5.00%
* Includes inflation at	3.00%
Cost-of-living adjustments	
For benefit formula	3.50%
For benefit payments	2.50%

Commencing after June 15, 1996, the reporting of pension plan information in the System's financial statements is governed by Governmental Accounting Standards Board (GASB) Statement No. 25. Commencing after June 15, 1997, the City's pension reporting in its financial statements is governed by GASB Statement No. 27.

The primary disclosure of actuarial information under GASB Statement No. 25 is the Schedule of Employer Contributions. Asset information is displayed on the Statement of Plan Net Assets and the Statement of Changes in Plan Net Assets.

GASB Statement No. 27 also required measurement recognition, and display standards for pension expenditures/expenses and related liabilities, assets, note disclosures, and, if applicable, required supplementary information.

Annual required contributions are determined in accordance with the parameters specified in GASB Statements Nos. 25 and 27.

Investments and Related Party Information

There are no investments in, loans to, or leases with parties related to the Plan. There are no assets legally reserved for purposes other than the payment of Plan member benefits. There are six securities that are each in excess of 5% of net assets, which comprise approximately 60% of the Plan's net assets available for benefits. There are no long-term contracts for contributions.

Contributions Required and Made

Periodic employer contributions to the Plan are determined on a nonactuarial basis based on City ordinance as set by the City Council. Currently, the City ordinance requires the City to make contributions equivalent to 11.25% of the City's covered payroll. The City has hired an actuary as a consultant. The actuary has indicated to the City that the City's current policy of funding the plan based on 11.25% of covered payroll is adequate to meet the future obligations of the Plan. Actuarial assumptions and other information used to determine the annual required contributions (ARC) are located in the Required Supplementary Information section of this report.

Total contributions to the pension plan in 2012 amounted to \$3,685,928, of which \$3,411,197 and \$274,731 were made by the City and its employees, respectively. Contributions made by the City and its employees represent approximately 11.25% and 7.5%, respectively of covered payroll for the year. During 2012, the City transferred an additional \$3,000,000 from the Electric Fund into the Pension Plan. This excess contribution was used to reduce the City's Unfunded Actuarial Accrued Liability at year end.

Covered payroll refers to standard yearly earnings excluding overtime earnings of all active employees. The City's covered payroll for the year was \$3,451,791. There was no net pension obligation at December 31, 2012.

Trend Information

<u>Fiscal year ending</u>	<u>Annual Required Contribution (Employees)</u>	<u>Percentage Contributed</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
December 31, 2002	\$ 235,275	100.00%	\$ 250,803	100.00%	\$ -
December 31, 2003	\$ 261,376	100.00%	\$ 438,147	100.00%	\$ -
December 31, 2004	\$ 301,310	100.00%	\$ 431,569	100.00%	\$ -
December 31, 2005	\$ 319,658	100.00%	\$ 479,913	100.00%	\$ -
December 31, 2006	\$ 296,395	100.00%	\$ 444,988	100.00%	\$ -
December 31, 2007	\$ 269,442	100.00%	\$ 404,522	100.00%	\$ -
December 31, 2008	\$ 281,780	100.00%	\$ 422,677	100.00%	\$ -
December 31, 2009	\$ 278,941	100.00%	\$ 948,027	254.86%	\$ (1,625,268)
December 31, 2010	\$ 271,051	100.00%	\$ 1,008,242	40.36%	\$ (1,123,720)
December 31, 2011	\$ 267,223	100.00%	\$ 1,012,070	39.61%	\$ (574,341)
December 31, 2012	\$ 274,730	100.00%	\$ 1,101,315	309.74%	\$ -

The percentage contribution to the plan has been at least one hundred percent (100%) of the Annual Pension Cost. Therefore, the plan does not have a net pension obligation as of December 31, 2012.

Schedule of Funding Progress

Prior to January 1, 2009, the aggregate actuarial cost method was used in determining the funding requirements and does not identify or separately amortize unfunded actuarial liabilities. These liabilities are amortized through the normal cost.

Beginning January 1, 2009, the cost method was changed to use the individual entry age actuarial cost method.

Plan Year Ending	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a) / c]
12/31/2008	\$ 21,357,410	\$ 31,134,185	\$ 9,776,775	68.60%	\$ 3,805,797	256.89%
12/31/2009	\$ 22,386,337	\$ 31,526,109	\$ 9,139,772	71.01%	\$ 3,916,070	233.39%
12/31/2010	\$ 22,333,946	\$ 31,082,559	\$ 8,748,613	71.85%	\$ 3,628,251	241.12%
12/31/2011	\$ 22,099,016	\$ 31,460,075	\$ 9,361,059	70.24%	\$ 3,472,230	269.60%
12/31/2012	\$ 25,888,237	\$ 31,728,846	\$ 5,840,609	81.59%	\$ 3,451,791	169.21%

OTHER INFORMATION

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The City has entered into Power Sales Contracts with the Municipal Electric Authority of Georgia (MEAG). Under terms of these contracts, the City purchases power and energy for resale to its electric system customers. MEAG is authorized to establish rates and charges so as to produce revenues sufficient to cover its costs.

The City purchases all its power and energy requirements from MEAG over and above its allotment from federally-owned projects administrated by Southeastern Power Administration (SEPA). The City purchased bulk power totaling \$35,696,859 from MEAG during the year ended December 31, 2012. The City's future minimum payment obligations to MEAG will be based on MEAG's costs and the City's yearly demand for bulk power supply.

MEAG has set aside funds to be used by member cities for rate stabilization necessary when new plants are placed in service or unforeseen events occur. Prior to the commencement of retail competition in Georgia, these funds are controlled by the MEAG board, and are available to the City only for certain limited purposes. In September 1999, MEAG transferred \$12,933,360 to the Municipal Competitive Trust for which the City is beneficiary. These funds were deposited in the Reserve Funded Debt Account of the Trust; the City has no right to withdraw funds from this account without the written consent of MEAG. The value of this account at December 31, 2012, is \$14,119,565. These funds are not recorded in the City's financial statements because they are not under the control of the City.

On January 8, 2007, the City approved the issuance of \$10,000,000 in City of Thomasville general obligation school bonds, series 2007. Although the bonds are general obligations of the City and will constitute a pledge of the full faith and credit of the City, the liability for the bonds is recorded as a liability on the Statement of Net Assets for the City of Thomasville Board of Education. The outstanding bond debt as of December 31, 2012 was \$2,150,000. The bonds are payable first from the School District's share of the receipts of a special (1%) sales and use tax for educational purposes and then, to the extent necessary, from ad valorem taxes which may be levied, without limitation as to the rate or amount. As an additional security for the bonds, the School District will participate in the State of Georgia Intercept Program.

On November 8, 2011, the City approved the issuance of \$11,400,000 in City of Thomasville general obligation school bonds, series 2012. Although the bonds are general obligations of the City and will constitute a pledge of the full faith and credit of the City, the liability for the bonds will be recorded as a liability on the Statement of Net Assets for the City of Thomasville Board of Education. The bonds will be payable first from the School District's share of the receipts of a special (1%) sales and use tax for educational purposes and then, to the extent necessary, from ad valorem taxes which may be levied, without limitation as to the rate or amount. As an additional security for the bonds, the School District will participate in the State of Georgia Intercept Program.

In the normal course of business, the City guarantees loans for the Thomasville Downtown Development Authority (a component unit). As of December 31, 2012, the loans totaled \$11,215,435. The liability for the debt is included in the Statement of Net Assets for the Downtown Development Authority, but the loans are backed by the full faith and credit of the City. Further, the City will cover the debt service in the unlikely event that the project proceeds in the Authority are not sufficient to cover the debt service.

NOTE 5 - FUTURE IMPLEMENTATION OF GASB PRONOUNCEMENTS

The GASB has issued the following statements that either apply to the current year financial statements of future years.

Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, effective for fiscal periods beginning after December 15, 2011. The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership.

Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, effective for fiscal periods beginning after June 15, 2012. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. This Statement modifies certain requirements for inclusion of component units in the financial reporting entity.

Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, effective for fiscal years beginning after December 15, 2011. This statement improves financial reporting by continuing to codify sources of generally accepted accounting principles for state and local governments so that they derive from a single source. As a result of implementing this statement, the City was not required to change the reporting of current or past transactions.

Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for fiscal years beginning after December 15, 2011. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. The City implemented this pronouncement in the 2012 financial statements.

Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB Statement No. 53*, effective for fiscal years beginning after June 15, 2011. The objective of this Statement is to clarify whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The City does not currently have derivative financial instruments.

Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective for years beginning after December 15, 2012. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

Statement No. 66, *Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62*. This Statement amends Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. As a result, governments should base their decisions about fund type classification on the nature of the activity to be reported, as required in Statement 54 and Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

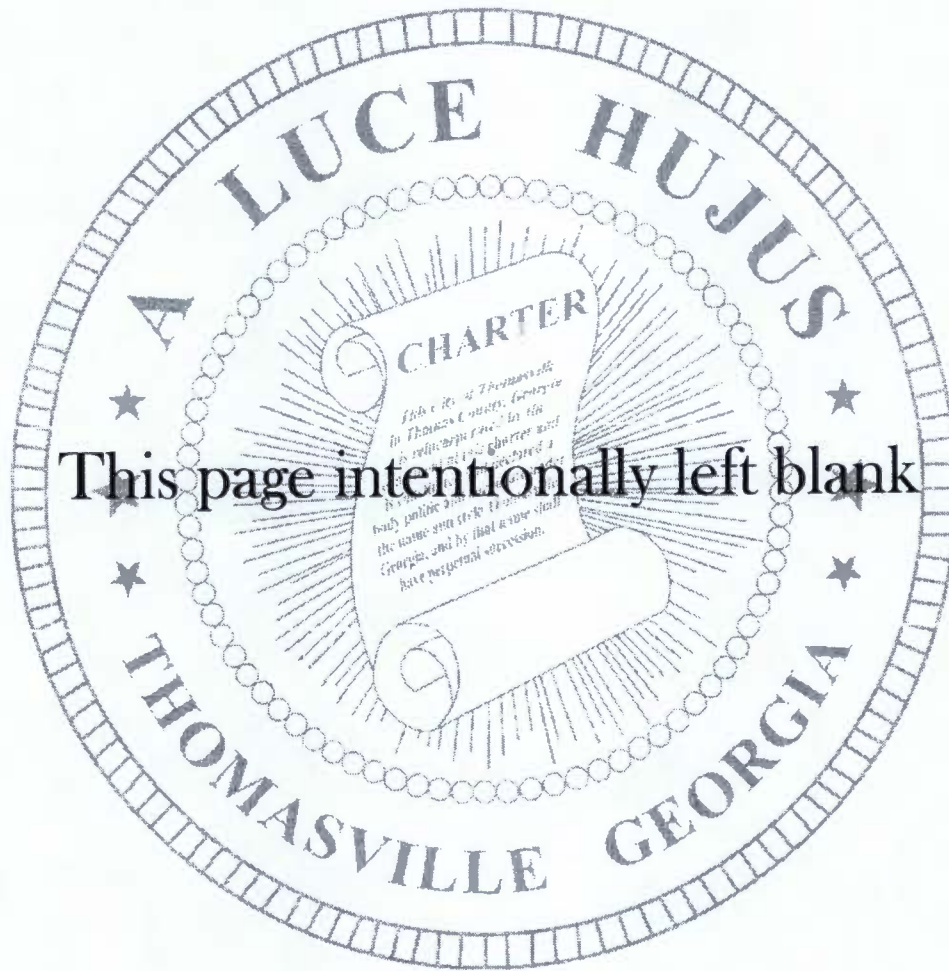
Statement No. 67, *Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25, effective for periods beginning after June 15, 2013*. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27, effective for fiscal years beginning after June 14, 2014*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities.

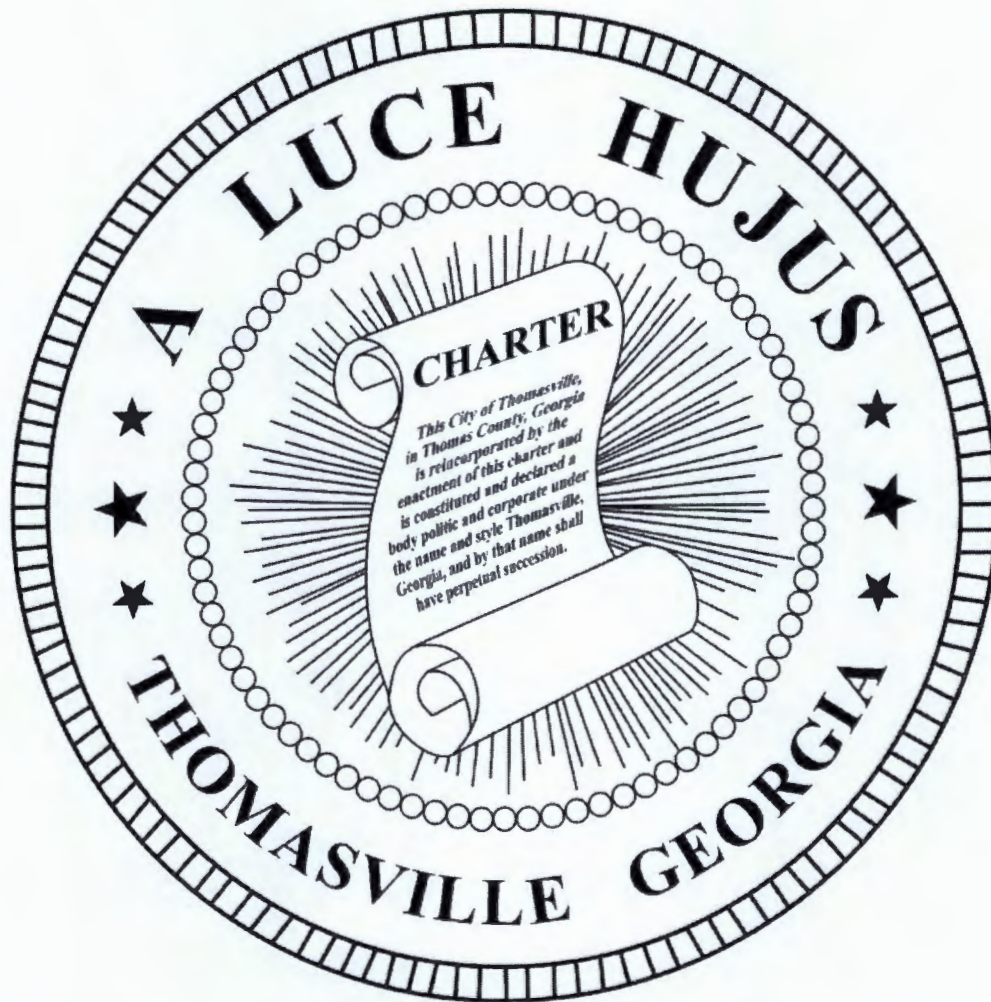
Statement No. 69, *Government Combinations and Disposals of Government Operations, effective for fiscal years beginning after December 15, 2013*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term *government combinations* include a variety of transactions referred to as mergers, acquisitions, and transfers of operations.

Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees, effective for years beginning after June 15, 2013*. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees.

These pronouncements will be implemented, if applicable, during the required year of implementation.



Required Supplementary Information

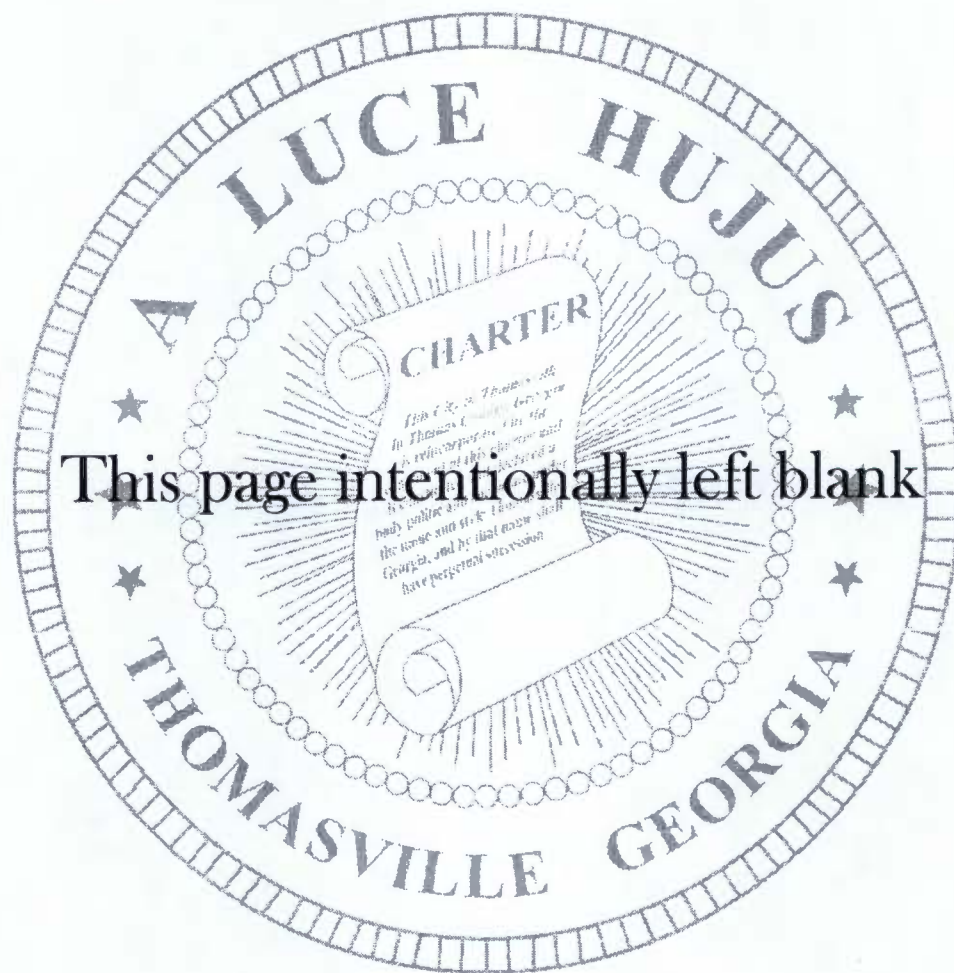


CITY OF THOMASVILLE, GEORGIA
Required Supplementary Information
Schedule of Employer Contributions
for the year ended December 31, 2012

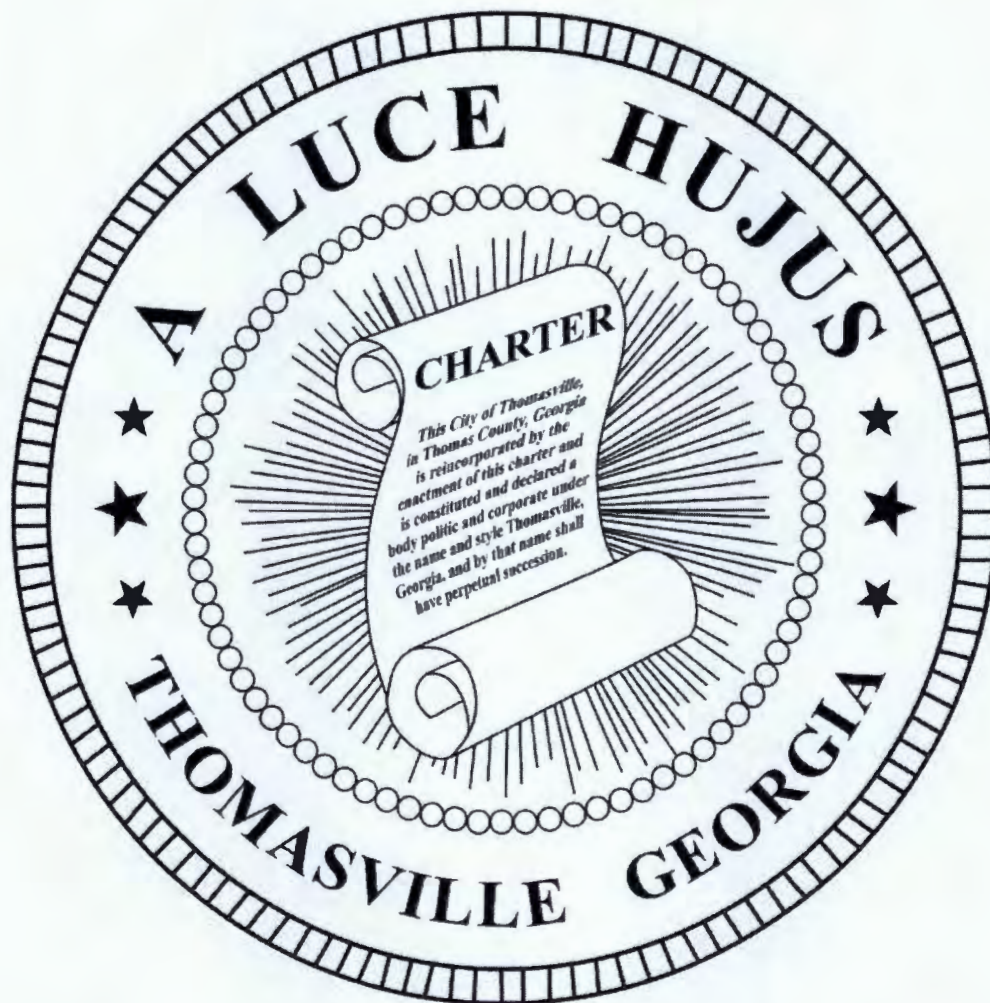
Fiscal Year	Required Contributions (Employees)	Percentage Contributed	Annual Pension Cost (APC)	Percentage Contributed	Net Pension Obligation (Asset)
2002	\$ 235,275	100%	\$ 250,803	100%	\$ -
2003	\$ 261,376	100%	\$ 438,147	100%	\$ -
2004	\$ 301,310	100%	\$ 431,569	100%	\$ -
2005	\$ 319,658	100%	\$ 479,913	100%	\$ -
2006	\$ 296,395	100%	\$ 444,988	100%	\$ -
2007	\$ 269,442	100%	\$ 404,522	100%	\$ -
2008	\$ 281,780	100%	\$ 422,678	100%	\$ -
2009	\$ 278,941	100%	\$ 948,027	254.86%	\$ (1,625,268)
2010	\$ 271,051	100%	\$ 1,008,242	40.36%	\$ (1,123,720)
2011	\$ 267,223	100%	\$ 1,012,070	39.61%	\$ (574,341)
2012	\$ 274,730	100%	\$ 1,101,315	309.74%	\$ -

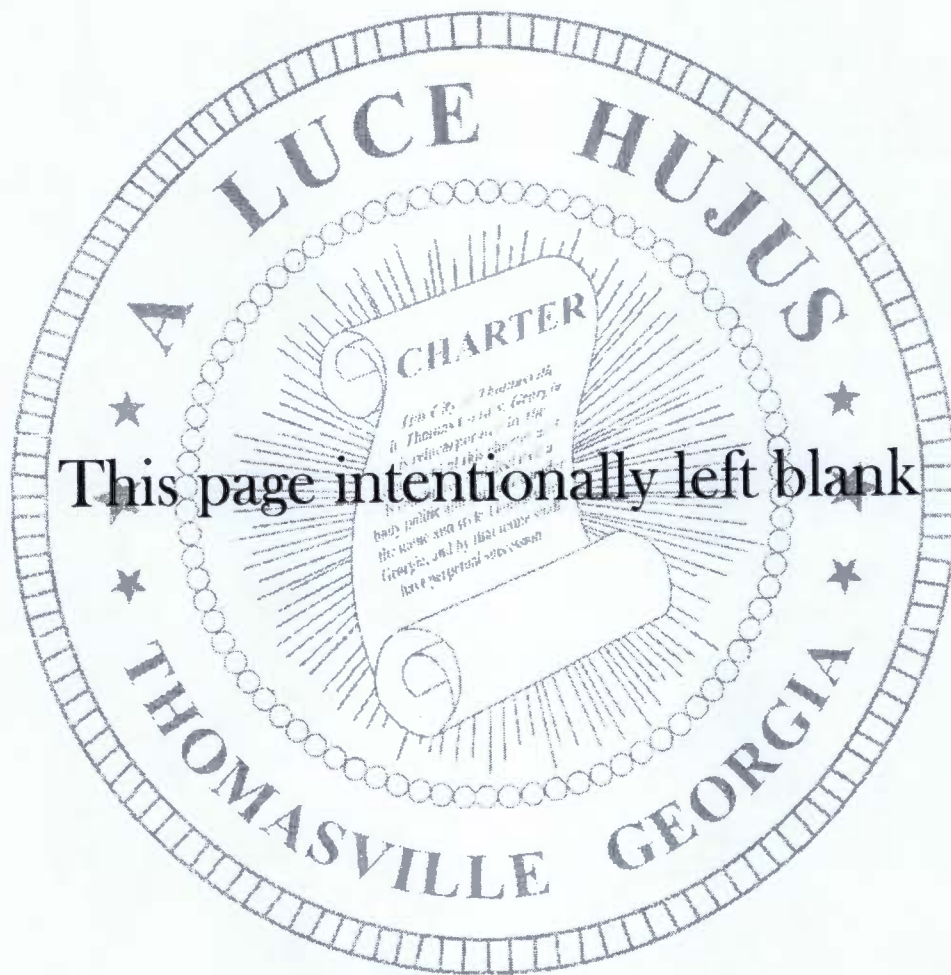
NOTES:

1. For fiscal years 1997 and after, the amounts in the Required Contributions column reflects required contribution amounts.
2. Beginning in 1996, excess annual required contributions are accumulated in the Contribution Reconciliation Account, which is drawn upon if actual contributions fall below the annual required contribution. There was no Contribution Reconciliation Account balance as of as of December 31, 2012.



Combining and Individual Fund Statements and Schedules





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Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Asset Forfeiture Fund – This fund is used to account for defaulted property.

Downtown Surtax Fund – This fund is used to account for the receipt and disbursement of the City assessed Downtown Improvement District Surtax.

Economic Development Fund – This fund is used to account for funds received and accumulated for economic development purposes.

Parks and Recreation Fund – This fund is used to account for the operations and maintenance of all City owned parks and recreation facilities. These operations are funded by a portion of the Thomas County Local Option Sales Tax.

Special Hotel/Motel Tax Fund – This fund is used to account for the receipt and disbursement of the City assessed Hotel/Motel tax.

Capital Project Funds

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

CDBG Fund – This fund is used to account for the community development block grants awarded for capital improvements or other approved projects.

Street Paving Fund – This fund is used to account for the receipt and disbursement of street assessment levies and the Thomas County Local Option Sales Tax.

Multiple Grants Fund – This fund is used to account for other grants, excluding CDBG.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Cemetery Perpetual Care Fund – This fund is used to account for the accumulation of resources to be used to assure the continued maintenance of the City's cemetery. Funds are contributed by owners of the cemetery plots to assure the maintenance of the cemetery in the future.

CITY OF THOMASVILLE, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012

	Special Revenue					Total
	Asset Forfeiture	Downtown Surtax	Economic Development	Parks and Recreation	Special Hotel/Motel Tax	
ASSETS						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-
Taxes receivable	-	3,199	-	-	-	3,199
Notes receivable	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	-
Due from other funds	116,645	33,343	-	-	1,251	151,239
Prepaid items	-	-	-	8,194	-	8,194
Total assets	<u>116,645</u>	<u>36,542</u>	<u>-</u>	<u>8,194</u>	<u>1,251</u>	<u>162,632</u>
LIABILITIES						
Accounts payable	7,584	-	70	62,031	-	69,685
Due to other funds	-	-	440	1,108,580	-	1,109,020
Deferred revenue	-	-	-	-	-	-
Accrued liabilities	-	-	-	925	-	925
Total liabilities	<u>7,584</u>	<u>-</u>	<u>510</u>	<u>1,171,536</u>	<u>-</u>	<u>1,179,630</u>
FUND BALANCES						
Nonspendable	-	-	-	8,194	-	8,194
Restricted	109,061	36,542	-	-	1,251	146,854
Assigned	-	-	-	-	-	-
Unassigned	-	-	(510)	(1,171,536)	-	(1,172,046)
Total fund balances	<u>109,061</u>	<u>36,542</u>	<u>(510)</u>	<u>(1,163,342)</u>	<u>1,251</u>	<u>(1,016,998)</u>
Total liabilities and fund balances	\$ <u>116,645</u>	\$ <u>36,542</u>	\$ <u>-</u>	\$ <u>8,194</u>	\$ <u>1,251</u>	\$ <u>162,632</u>

CITY OF THOMASVILLE, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012

	Capital Project				Permanent Funds	Total Nonmajor Governmental Funds
	CDBG	Street Paving	Multiple Grants	Total	Cemetery Perpetual Care	
ASSETS						
Cash	\$ 300	\$ -	\$ 97	\$ 397	\$ 116,939	\$ 117,336
Investments	-	-	-	-	-	-
Accounts receivable	-	-	103,934	103,934	-	103,934
Taxes receivable	-	-	-	-	-	3,199
Notes receivable	-	31,572	-	31,572	-	31,572
Interest receivable	-	7,247	-	7,247	-	7,247
Intergovernmental receivable	36,849	-	-	36,849	-	36,849
Due from other funds	-	146,169	-	146,169	-	297,408
Prepaid items	-	-	-	-	-	8,194
Total assets	<u>37,149</u>	<u>184,988</u>	<u>104,031</u>	<u>326,168</u>	<u>116,939</u>	<u>605,739</u>
LIABILITIES						
Accounts payable	4,095	-	97,680	101,775	-	171,460
Due to other funds	46,134	-	630,190	676,324	79,998	1,865,342
Accrued and other liabilities	-	55,393	-	55,393	-	56,318
Total liabilities	<u>50,229</u>	<u>55,393</u>	<u>727,870</u>	<u>833,492</u>	<u>79,998</u>	<u>2,093,120</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	8,194
Restricted	-	129,595	-	129,595	36,941	313,390
Assigned	-	-	-	-	-	-
Unassigned	(13,080)	-	(623,839)	(636,919)	-	(1,808,965)
Total fund balances	<u>(13,080)</u>	<u>129,595</u>	<u>(623,839)</u>	<u>(507,324)</u>	<u>36,941</u>	<u>(1,487,381)</u>
Total liabilities and fund balances	<u>\$ 37,149</u>	<u>\$ 184,988</u>	<u>\$ 104,031</u>	<u>\$ 326,168</u>	<u>\$ 116,939</u>	<u>\$ 605,739</u>

This statement is continued from the previous page.

CITY OF THOMASVILLE, GEORGIA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
for the year ended December 31, 2012

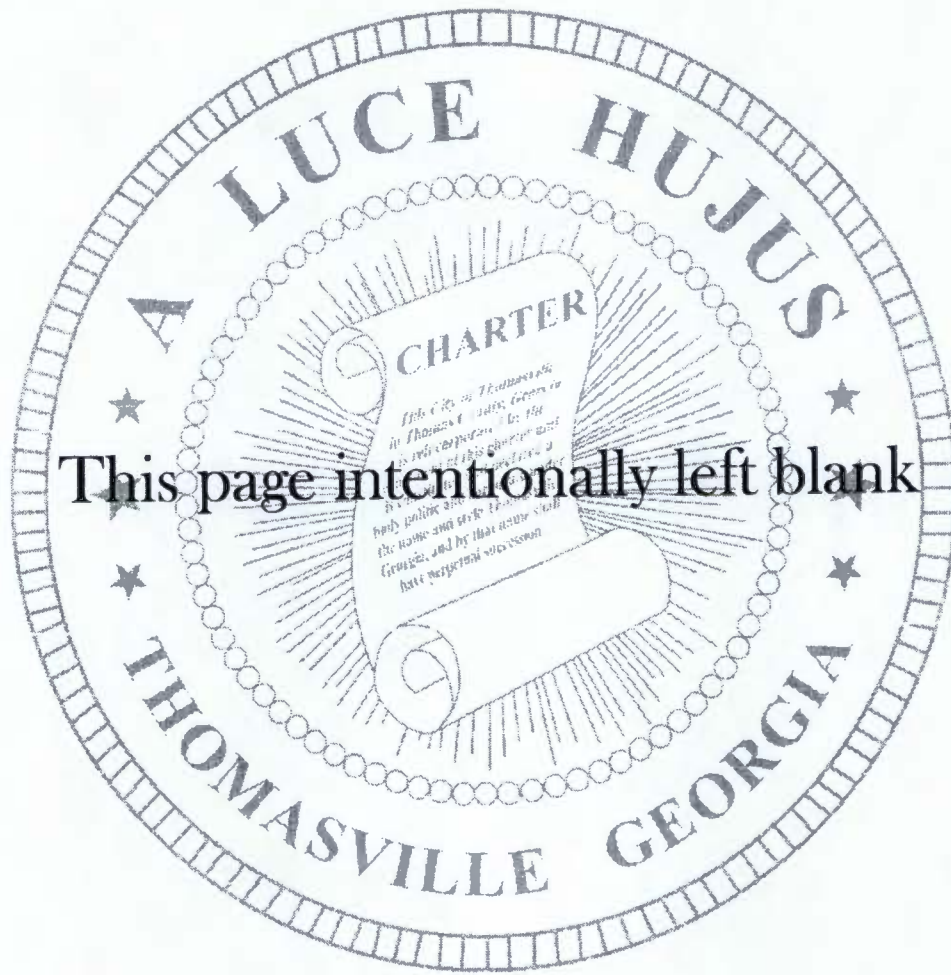
	Special Revenue					
	Asset Forfeiture	Downtown Surtax	Economic Development	Parks and Recreation	Special Hotel/Motel Tax	Total
REVENUES						
Taxes, general	\$ -	\$ 18,104	\$ -	\$ -	\$ -	\$ 18,104
Sales taxes, general	-	-	-	1,538,922	-	1,538,922
Sales taxes, selective	-	-	-	-	194,273	194,273
Intergovernmental	67,152	-	-	-	-	67,152
Investment earnings	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	63,170	-	63,170
Total revenues	<u>67,152</u>	<u>18,104</u>	<u>-</u>	<u>1,602,092</u>	<u>194,273</u>	<u>1,881,621</u>
EXPENDITURES						
Current:						
Public safety:						
Supplies	78,878	-	-	-	-	78,878
Highways and streets:						
Contracted services	-	-	-	-	-	-
Economic development:						
Contracted services	-	-	70	-	-	70
Other costs	-	10,000	-	-	194,273	204,273
Culture and recreation:						
Personal services	-	-	-	104,829	-	104,829
Contracted services	-	-	-	1,018,136	-	1,018,136
Supplies	-	-	-	51,236	-	51,236
Interfund charges	-	-	-	20,537	-	20,537
Debt service:						
Principal	-	-	-	105,508	-	105,508
Interest	-	-	-	19,040	-	19,040
Capital outlay:						
Public safety	57,806	-	-	-	-	57,806
Highways and streets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Total expenditures	<u>136,684</u>	<u>10,000</u>	<u>70</u>	<u>1,319,286</u>	<u>194,273</u>	<u>1,660,313</u>
Excess (deficiency) of revenues over expenditures	<u>(69,532)</u>	<u>8,104</u>	<u>(70)</u>	<u>282,806</u>	<u>-</u>	<u>221,308</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	-	-	-	(332,705)	-	(332,705)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(332,705)</u>	<u>-</u>	<u>(332,705)</u>
Net change in fund balances	(69,532)	8,104	(70)	(49,899)	-	(111,397)
Fund balances, beginning	<u>178,593</u>	<u>28,438</u>	<u>(440)</u>	<u>(1,113,443)</u>	<u>1,251</u>	<u>(905,601)</u>
Fund balances, ending	<u>\$ 109,061</u>	<u>\$ 36,542</u>	<u>\$ (510)</u>	<u>\$ (1,163,342)</u>	<u>\$ 1,251</u>	<u>\$ (1,016,998)</u>

This statement is continued on the next page.

CITY OF THOMASVILLE, GEORGIA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
for the year ended December 31, 2012

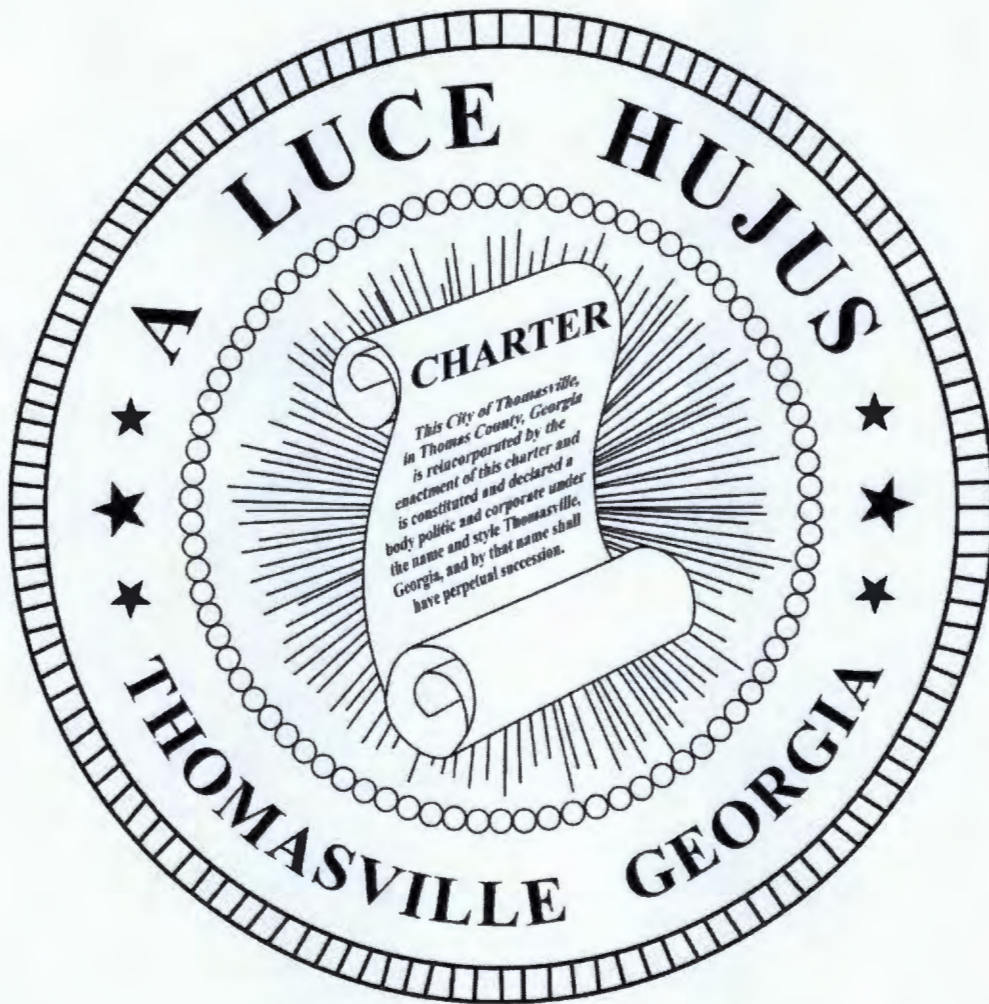
	Capital Project				Permanent Funds	Total Nonmajor
	CDBG	Street Paving	Multiple Grants	Total	Cemetery Perpetual Care	Governmental Funds
REVENUES						
Taxes, general	\$ -	\$ -	\$ -	\$ -	\$ -	18,104
Sales taxes, general	-	-	-	-	-	1,538,922
Sales taxes, selective	-	-	-	-	-	194,273
Intergovernmental	89,845	-	599,074	688,919	-	756,071
Investment earnings	-	828	-	828	69	897
Miscellaneous revenue	-	-	-	-	-	63,170
Total revenues	<u>89,845</u>	<u>828</u>	<u>599,074</u>	<u>689,747</u>	<u>69</u>	<u>2,571,437</u>
EXPENDITURES						
Current:						
Public safety:						
Supplies	-	-	-	-	-	78,878
Highways and streets:						
Contracted services	1,380	-	11,377	12,757	-	12,757
Interfund charges	-	45,065	-	45,065	-	45,065
Economic development:						
Contracted services	-	-	-	-	-	70
Other costs	-	-	-	-	-	204,273
Culture and recreation:						
Personal services	-	-	-	-	-	104,829
Contracted services	-	-	-	-	-	1,018,136
Supplies	-	-	-	-	-	51,236
Interfund charges	-	-	-	-	-	20,537
Debt service:						
Principal	-	-	-	-	-	105,508
Interest	-	-	-	-	-	19,040
Capital outlay:						
Public safety	-	-	-	-	-	57,806
Highways and streets	-	-	797,308	797,308	-	797,308
Economic development	94,835	-	-	94,835	-	94,835
Total expenditures	<u>96,215</u>	<u>45,065</u>	<u>808,685</u>	<u>949,965</u>	<u>-</u>	<u>2,610,278</u>
Excess (deficiency) of revenues over expenditures	<u>(6,370)</u>	<u>(44,237)</u>	<u>(209,611)</u>	<u>(260,218)</u>	<u>69</u>	<u>(38,841)</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	-	-	-	-	(20,000)	(352,705)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,000)</u>	<u>(352,705)</u>
Net change in fund balances	(6,370)	(44,237)	(209,611)	(260,218)	(19,931)	(391,546)
Fund balances, beginning	<u>(6,710)</u>	<u>173,832</u>	<u>(414,228)</u>	<u>(247,106)</u>	<u>56,872</u>	<u>(1,095,835)</u>
Fund balances, ending	<u>\$ (13,080)</u>	<u>\$ 129,595</u>	<u>\$ (623,839)</u>	<u>\$ (507,324)</u>	<u>\$ 36,941</u>	<u>\$ (1,487,381)</u>

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Schedules of Revenues, Expenditures
And Changes in Fund Balances -
Budget and Actual



CITY OF THOMASVILLE, GEORGIA
Special Purpose Local Option Sales Tax (SPLOST) Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
for the year ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sales taxes, general	\$ -	\$ -	\$ -	-
Intergovernmental	2,100,000	2,100,000	2,976,743	876,743
Charges for services	-	-	-	-
Investment earnings	104,850	104,850	12,456	(92,394)
Total revenues	<u>2,204,850</u>	<u>2,204,850</u>	<u>2,989,199</u>	<u>784,349</u>
EXPENDITURES				
Current:				
Highways and streets:				
Contracted services	-	-	15,724	(15,724)
Capital outlay	2,394,280	2,394,280	1,017,621	1,376,659
Total expenditures	<u>2,394,280</u>	<u>2,394,280</u>	<u>1,033,345</u>	<u>1,360,935</u>
Excess (deficiency) of revenues over expenditures	<u>(189,430)</u>	<u>(189,430)</u>	<u>1,955,854</u>	<u>2,145,284</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Debt issuance	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(189,430)	(189,430)	1,955,854	2,145,284
Fund balances, beginning	<u>4,036,720</u>	<u>4,036,720</u>	<u>4,036,720</u>	<u>-</u>
Fund balances, ending	<u>\$ 3,847,290</u>	<u>\$ 3,847,290</u>	<u>\$ 5,992,574</u>	<u>\$ 2,145,284</u>

CITY OF THOMASVILLE, GEORGIA

Asset Forfeiture Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
for the year ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 12,000	\$ 12,000	\$ 67,152	\$ 55,152
Total revenues	<u>12,000</u>	<u>12,000</u>	<u>67,152</u>	<u>55,152</u>
EXPENDITURES				
Current:				
Public safety:				
Supplies	31,062	31,062	78,878	(47,816)
Capital outlay	32,563	32,563	57,806	(25,243)
Total expenditures	<u>63,625</u>	<u>63,625</u>	<u>136,684</u>	<u>(73,059)</u>
Excess (deficiency) of revenues over expenditures	(51,625)	(51,625)	(69,532)	(17,907)
Fund balances, beginning	<u>178,593</u>	<u>178,593</u>	<u>178,593</u>	<u>-</u>
Fund balances, ending	<u>\$ 126,968</u>	<u>\$ 126,968</u>	<u>\$ 109,061</u>	<u>\$ (17,907)</u>

CITY OF THOMASVILLE, GEORGIA

Downtown Surtax Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
for the year ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes, general	\$ 15,000	\$ 15,000	\$ 18,104	\$ 3,104
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>18,104</u>	<u>3,104</u>
EXPENDITURES				
Current:				
Economic development:				
Other costs	<u>15,000</u>	<u>15,000</u>	<u>10,000</u>	<u>5,000</u>
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>10,000</u>	<u>5,000</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>8,104</u>	<u>8,104</u>
Fund balances, beginning	<u>28,438</u>	<u>28,438</u>	<u>28,438</u>	<u>-</u>
Fund balances, ending	<u>\$ 28,438</u>	<u>\$ 28,438</u>	<u>\$ 36,542</u>	<u>\$ 8,104</u>

CITY OF THOMASVILLE, GEORGIA

Economic Development Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
for the year ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Current:				
Economic development:				
Contracted services	-	-	70	(70)
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	70	(70)
Excess (deficiency) of revenues over expenditures	-	-	(70)	(70)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	(70)	(70)
Fund balances, beginning	(440)	(440)	(440)	-
Fund balances, ending	\$ (440)	\$ (440)	\$ (510)	\$ (70)

CITY OF THOMASVILLE, GEORGIA
Parks and Recreation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
for the year ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sales taxes, general	\$ 1,581,700	\$ 1,581,700	\$ 1,538,922	\$ (42,778)
Miscellaneous revenue	-	-	63,170	63,170
Total revenues	<u>1,581,700</u>	<u>1,581,700</u>	<u>1,602,092</u>	<u>20,392</u>
EXPENDITURES				
Current:				
Culture and recreation:				
Personal services	93,550	93,550	104,829	(11,279)
Contracted services	960,371	960,371	1,018,136	(57,765)
Supplies	42,311	42,311	51,236	(8,925)
Interfund charges	22,653	22,653	20,537	2,116
Debt service:				
Principal	103,752	103,752	105,508	(1,756)
Interest	20,796	20,796	19,040	1,756
Total expenditures	<u>1,243,433</u>	<u>1,243,433</u>	<u>1,319,286</u>	<u>(75,853)</u>
Excess (deficiency) of revenues over expenditures	<u>338,267</u>	<u>338,267</u>	<u>282,806</u>	<u>(55,461)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(332,705)	(332,705)	(332,705)	-
Total other financing sources (uses)	<u>(332,705)</u>	<u>(332,705)</u>	<u>(332,705)</u>	<u>-</u>
Net change in fund balances	5,562	5,562	(49,899)	(55,461)
Fund balances, beginning	<u>(1,113,443)</u>	<u>(1,113,443)</u>	<u>(1,113,443)</u>	<u>-</u>
Fund balances, ending	<u>\$ (1,107,881)</u>	<u>\$ (1,107,881)</u>	<u>\$ (1,163,342)</u>	<u>\$ (55,461)</u>

CITY OF THOMASVILLE, GEORGIA

Special Hotel/Motel Tax Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
for the year ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sales taxes, selective	\$ 200,000	\$ 200,000	\$ 194,273	\$ (5,727)
Total revenues	<u>200,000</u>	<u>200,000</u>	<u>194,273</u>	<u>(5,727)</u>
EXPENDITURES				
Current:				
Economic development:				
Other costs	200,000	200,000	194,273	5,727
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>194,273</u>	<u>5,727</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balances, beginning	1,251	1,251	1,251	-
Fund balances, ending	<u>\$ 1,251</u>	<u>\$ 1,251</u>	<u>\$ 1,251</u>	<u>-</u>

CITY OF THOMASVILLE, GEORGIA
Community Development Block Grant (CDBG) Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
for the year ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 674,300	\$ 674,300	\$ 89,845	\$ (584,455)
Total revenues	<u>674,300</u>	<u>674,300</u>	<u>89,845</u>	<u>(584,455)</u>
EXPENDITURES				
Current:				
Highways and streets:				
Personal services	-	-	-	-
Contracted services	-	-	1,380	(1,380)
Capital Outlay	674,300	674,300	94,835	579,465
Total expenditures	<u>674,300</u>	<u>674,300</u>	<u>96,215</u>	<u>578,085</u>
Excess (deficiency) of revenues over expenditures	-	-	(6,370)	(6,370)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(36,000)	(36,000)	-	36,000
Total other financing sources (uses)	<u>(36,000)</u>	<u>(36,000)</u>	<u>-</u>	<u>36,000</u>
Net change in fund balance	(36,000)	(36,000)	(6,370)	29,630
Fund balances, beginning	(6,710)	(6,710)	(6,710)	-
Fund balances, ending	<u>\$ (42,710)</u>	<u>\$ (42,710)</u>	<u>\$ (13,080)</u>	<u>\$ 29,630</u>

CITY OF THOMASVILLE, GEORGIA

Street Paving Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
for the year ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 1,000	\$ 1,000	\$ 828	\$ (172)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>828</u>	<u>(172)</u>
EXPENDITURES				
Current:				
Highways and streets:				
Interfund charges	<u>36,379</u>	<u>36,379</u>	<u>45,065</u>	<u>(8,686)</u>
Total expenditures	<u>36,379</u>	<u>36,379</u>	<u>45,065</u>	<u>(8,686)</u>
Excess (deficiency) of revenues over expenditures	(35,379)	(35,379)	(44,237)	(8,858)
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(35,379)	(35,379)	(44,237)	(8,858)
Fund balances, beginning	<u>173,832</u>	<u>173,832</u>	<u>173,832</u>	<u>-</u>
Fund balances, ending	<u>\$ 138,453</u>	<u>\$ 138,453</u>	<u>\$ 129,595</u>	<u>\$ (8,858)</u>

CITY OF THOMASVILLE, GEORGIA

Multiple Grants

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
for the year ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 599,074	\$ 449,074
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>599,074</u>	<u>449,074</u>
EXPENDITURES				
Current:				
Contracted services	150,000	150,000	11,377	138,623
Capital Outlay	-	-	797,308	(797,308)
Total expenditures	<u>150,000</u>	<u>150,000</u>	<u>808,685</u>	<u>(658,685)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(209,611)</u>	<u>(209,611)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(209,611)</u>	<u>(209,611)</u>
Fund balances, beginning	<u>(414,228)</u>	<u>(414,228)</u>	<u>(414,228)</u>	<u>-</u>
Fund balances, ending	<u>\$ (414,228)</u>	<u>\$ (414,228)</u>	<u>\$ (623,839)</u>	<u>\$ (209,611)</u>

CITY OF THOMASVILLE, GEORGIA

Cemetery Perpetual

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
for the year ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 300	\$ 300	\$ 69	\$ (231)
Total revenues	<u>300</u>	<u>300</u>	<u>69</u>	<u>(231)</u>
EXPENDITURES				
Current:				
Contracted services	-	-	-	-
Capital Outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>300</u>	<u>300</u>	<u>69</u>	<u>(231)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(20,000)	(20,000)	(20,000)	-
Total other financing sources (uses)	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Net change in fund balance	(19,700)	(19,700)	(19,931)	(231)
Fund balances, beginning	<u>56,872</u>	<u>56,872</u>	<u>56,872</u>	<u>-</u>
Fund balances, ending	<u>\$ 37,172</u>	<u>\$ 37,172</u>	<u>\$ 36,941</u>	<u>\$ (231)</u>

Nonmajor Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Auditorium Fund – This fund is used to account for the operation of the Municipal Auditorium. All activities necessary to provide such services are accounted for in this fund.

Airport Fund – This fund is used to account for the operation of the Thomasville Municipal Airport. All activities necessary to provide such services are accounted for in this fund.

Golf Course Fund – This fund is used to account for the operation of the Country Oaks Golf course. All activities necessary to provide such services are accounted for in this fund.

Natural Gas Fund – This fund is used to account for the cost of providing natural gas services to the citizens of the City and surrounding areas. All activities necessary to provide such services are accounted for in this fund.

Rose.Net Fund – This fund is used to account for the cost of providing Internet services to the citizens of the City and surrounding areas.

Sanitation Fund – This fund is used to account for the cost of providing commercial and residential refuse and trash collection services to the citizens of the City and surrounding areas. All activities necessary to provide such services are accounted for in this fund.

Telecommunications Fund – This fund is used to account for the cost of providing telecommunications services to the citizens of the City and surrounding areas. All activities necessary to provide such services are accounted for in this fund.

Telephony Fund – This fund is used to account for the cost of providing telephony services to the citizens of the City and surrounding areas. All activities necessary to provide such services are accounted for in this fund.

CITY OF THOMASVILLE, GEORGIA
Combining Statement of Net Assets
Nonmajor Enterprise Funds
December 31, 2012

	Business-Type Activities								
	Auditorium	Airport	Golf Course	Natural Gas	Rose.net	Sanitation	Tele-communications	Telephony	Total
ASSETS									
Current:									
Cash	\$ -	\$ 150	\$ 427	\$ -	\$ 20,249	\$ -	\$ -	\$ -	20,826
Accounts receivable	-	24,255	14,453	846,029	617,035	456,690	440,946	306,375	2,705,783
Due from other funds	-	-	-	2,949,540	600,928	-	-	1,512,457	5,062,925
Inventories	-	95,753	41,981	125,187	646,468	1,003,319	-	-	1,912,708
Prepaid items	1,728	8,397	5,005	4,966	84	8,912	498,458	-	527,550
Total current assets	1,728	128,555	61,866	3,925,722	1,884,764	1,468,921	939,404	1,818,832	10,229,792
Noncurrent:									
Restricted assets:									
Cash	-	-	-	661	-	-	-	-	661
Total restricted assets	-	-	-	661	-	-	-	-	661
Capital assets:									
Land and land improvements	76,705	606,824	650,990	22,534	-	-	-	-	1,357,053
Buildings	2,205,004	4,456,670	415,992	243,066	-	1,289,407	339,699	-	8,949,838
Machinery and equipment	-	1,231,072	100,796	245,380	2,276,001	3,548,208	2,184,136	226,336	9,811,929
Infrastructure	-	9,572,243	883,443	2,859,396	-	-	-	715,486	14,030,568
Construction in Progress	-	-	-	316,401	-	-	-	-	316,401
Less accumulated depreciation	(1,208,326)	(6,547,860)	(842,812)	(1,458,465)	(875,733)	(1,751,180)	(1,195,269)	(350,129)	(14,229,774)
Total capital assets (net of accumulated depreciation)	1,073,383	9,318,949	1,208,409	2,228,312	1,400,268	3,086,435	1,328,566	591,693	20,236,015
Total noncurrent assets	1,073,383	9,318,949	1,208,409	2,228,973	1,400,268	3,086,435	1,328,566	591,693	20,236,676
Total assets	1,075,111	9,447,504	1,270,275	6,154,695	3,285,032	4,555,356	2,267,970	2,410,525	30,466,468

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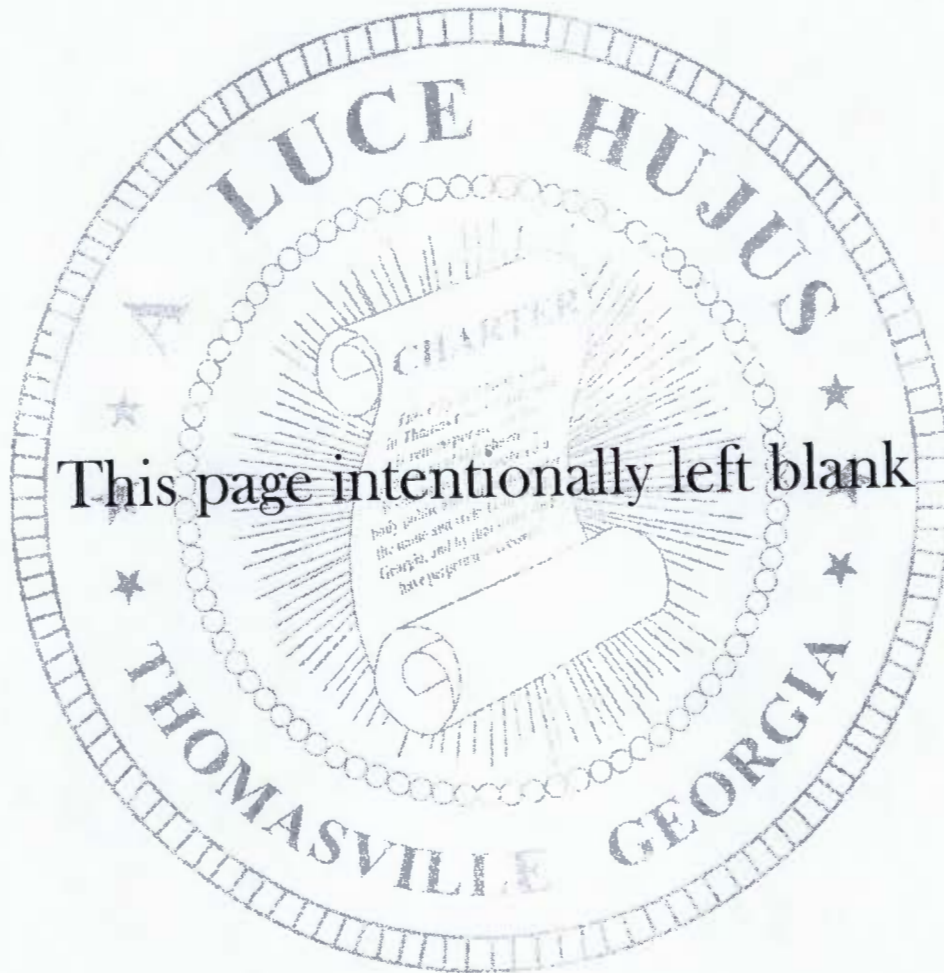
CITY OF THOMASVILLE, GEORGIA
Combining Statement of Net Assets
Nonmajor Enterprise Funds
December 31, 2012

	Business-Type Activities								
	Auditorium	Airport	Golf Course	Natural Gas	Rose.net	Sanitation	Tele-communications	Telephony	Total
LIABILITIES									
Current:									
Accounts payable	9,330	16,053	26,995	303,350	174,691	140,996	908	23,517	695,840
Sales tax payable	-	-	429	21,461	5,384	7	-	-	27,281
Customer deposits	-	-	-	-	-	-	-	34,658	34,658
Due to other funds	819,108	1,709,030	2,783,304	-	-	1,565,020	1,828,790	-	8,705,252
Unearned revenue	-	-	-	-	-	-	-	-	-
Accrued liabilities	261	7,921	6,728	9,772	10,782	26,974	816	23,727	86,981
Claims payable	-	-	-	-	-	-	-	-	-
Current portion of long-term debt	-	336,696	68,029	12,521	-	232,542	167,483	-	817,271
Total current liabilities	828,699	2,069,700	2,885,485	347,104	190,857	1,965,539	1,997,997	81,902	10,367,283
Noncurrent:									
Accrued compensated absences	-	-	2,299	2,400	-	26,037	-	-	30,736
Notes payable, less current portion	-	1,708,965	624,107	24,858	-	1,917,659	533,383	-	4,808,972
Total noncurrent liabilities	-	1,708,965	626,406	27,258	-	1,943,696	533,383	-	4,839,708
Total liabilities	828,699	3,778,665	3,511,891	374,362	190,857	3,909,235	2,531,380	81,902	15,206,991
NET ASSETS									
Invested in capital assets, net of related debt	1,073,383	7,273,288	516,849	2,191,533	1,400,268	942,743	627,700	591,693	14,617,457
Restricted for gas renewal	-	-	-	959,809	-	-	-	-	959,809
Unrestricted	(826,971)	(1,604,449)	(2,758,465)	2,628,991	1,693,907	(296,622)	(891,110)	1,736,930	(317,789)
Total net assets	\$ 246,412	\$ 5,668,839	\$ (2,241,616)	\$ 5,780,333	\$ 3,094,175	\$ 646,121	\$ (263,410)	\$ 2,328,623	\$ 15,259,477

This statement is continued from the previous page.

CITY OF THOMASVILLE, GEORGIA
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Nonmajor Enterprise Funds
for the year ended December 31, 2012

	Business-Type Activities								
	Auditorium	Airport	Golf Course	Natural Gas	Rose.net	Sanitation	Tele-communications	Telephony	Total
Operating revenues:									
Charges for sales and services	\$ 147,235	\$ 2,009,632	\$ 424,116	\$ 262,833	\$ 4,461,315	\$ 4,657,592	\$ 1,408,976	\$ 2,651,243	\$ 16,022,942
Intergovernmental	-	-	-	-	-	-	-	-	-
Metered sales	-	-	-	3,804,150	-	-	-	-	3,804,150
Miscellaneous revenue	-	-	-	-	-	28,078	-	-	28,078
Total operating revenues	147,235	2,009,632	424,116	4,066,983	4,461,315	4,685,670	1,408,976	2,651,243	19,855,170
Operating expenses:									
Personal services	11,738	313,663	341,116	306,802	584,589	1,384,905	-	-	2,942,813
Contracted services	105,237	198,326	273,787	417,221	350,827	1,937,157	178,312	1,142,265	4,603,132
Cost of sales	-	1,209,982	83,574	1,858,689	1,675,010	-	170,870	-	4,998,125
Supplies	1,823	167,543	131,215	67,142	119,157	54,148	180,596	-	721,624
Interfund charges	6,177	117,823	85,681	696,061	478,371	818,295	127,509	605,354	2,935,271
Depreciation	121,165	523,348	58,313	137,528	200,400	326,545	205,632	94,186	1,667,117
Other costs	-	-	-	5,319	49,724	5,624	212,354	-	273,021
Total operating expenses	246,140	2,530,685	973,686	3,488,762	3,458,078	4,526,674	1,075,273	1,841,805	18,141,103
Operating income (loss)	(98,905)	(521,053)	(549,570)	578,221	1,003,237	158,996	333,703	809,438	1,714,067
Nonoperating revenues (expenses):									
Gain on sale of capital assets	-	-	4,560	-	-	-	-	-	4,560
Investment earnings	-	-	-	982	-	-	-	-	982
Interest expense	(2,771)	(49,869)	(16,079)	(329)	-	(37,573)	(20,273)	(2,112)	(129,006)
Total nonoperating revenue (expenses)	(2,771)	(49,869)	(11,519)	653	-	(37,573)	(20,273)	(2,112)	(123,464)
Income (loss) before transfers	(101,676)	(570,922)	(561,089)	578,874	1,003,237	121,423	313,430	807,326	1,590,603
Transfers in	-	-	234,750	-	-	-	-	-	234,750
Transfers out	-	-	-	(358,981)	(600,000)	(550,000)	-	(360,000)	(1,868,981)
Change in net assets	(101,676)	(570,922)	(326,339)	219,893	403,237	(428,577)	313,430	447,326	(43,628)
Net assets, beginning	348,088	6,239,761	(1,915,277)	5,560,440	2,690,938	1,074,698	(576,840)	1,881,297	15,303,105
Net assets, ending	\$ 246,412	\$ 5,668,839	\$ (2,241,616)	\$ 5,780,333	\$ 3,094,175	\$ 646,121	\$ (263,410)	\$ 2,328,623	\$ 15,259,477



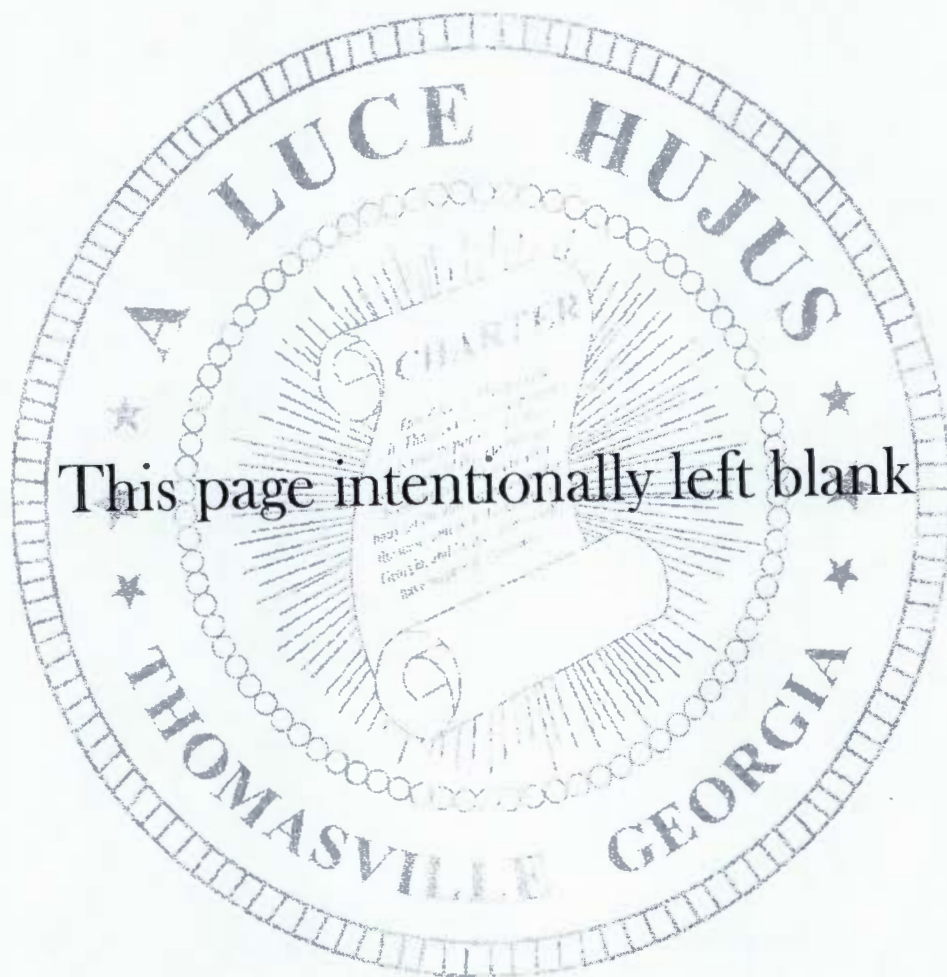
CITY OF THOMASVILLE, GEORGIA
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
for the year ended December 31, 2012

	Business-Type Activities								Total
	Auditorium	Airport	Golf Course	Natural Gas	Rose.net	Sanitation	Telecommunications	Telephony	
CASH FLOWS FROM OPERATING ACTIVITIES									
Receipts from customers and users	\$ 147,235	\$ 2,020,024	\$ 463,415	\$ 4,064,041	\$ 4,391,159	\$ 4,659,639	\$ 1,371,796	\$ 2,629,070	\$ 19,746,379
Receipts from interfund services provided	58,123	427,915	-	-	-	-	(205,306)	-	280,732
Payments to suppliers	(104,847)	(1,617,157)	(478,873)	(2,265,493)	(2,235,498)	(2,000,954)	(744,598)	(1,171,437)	(10,618,857)
Payments to employees	(11,666)	(311,012)	(339,125)	(309,158)	(582,693)	(1,375,131)	97	2,527	(2,926,161)
Payments for interfund services used	(6,177)	(117,823)	212,719	(581,086)	(700,972)	(574,247)	(127,509)	(1,098,048)	(2,993,143)
Net cash provided by (used in) operating activities	82,668	401,947	(141,864)	908,304	871,996	709,307	294,480	362,112	3,488,950
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES									
Transfer to other funds	-	-	-	(358,981)	(600,000)	(550,000)	-	(360,000)	(1,868,981)
Advances from other funds	-	-	234,750	-	-	-	-	-	234,750
Net cash provided by (used in) noncapital and related financing activities	-	-	234,750	(358,981)	(600,000)	(550,000)	-	(360,000)	(1,634,231)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES									
Proceeds from capital debt	-	-	-	32,340	-	972,000	-	-	1,004,340
Purchases of capital assets	(79,897)	-	(10,908)	(570,395)	(271,996)	(979,405)	(119,191)	-	(2,031,792)
Proceeds from sale of capital assets	-	-	4,560	-	-	-	-	-	4,560
Principal paid	-	(352,822)	(70,682)	(11,921)	-	(114,329)	(155,016)	-	(704,770)
Interest paid	(2,771)	(49,869)	(16,079)	(329)	-	(37,573)	(20,273)	(2,112)	(129,006)
Net cash (used in) capital and related financing activities	(82,668)	(402,691)	(93,109)	(550,305)	(271,996)	(159,307)	(294,480)	(2,112)	(1,856,668)
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest and dividends received	-	-	-	982	-	-	-	-	982
Net cash provided by investing activities	-	-	-	982	-	-	-	-	982
Net (decrease) in cash and cash equivalents	-	(744)	(223)	-	-	-	-	-	(967)
Cash and cash equivalents, January 1 (including \$661 for the gas fund reported in restricted accounts)	-	894	650	661	20,249	-	-	-	22,454
Cash and cash equivalents, December 31 (including \$661 for the gas fund reported in restricted accounts)	\$ -	\$ 150	\$ 427	\$ 661	\$ 20,249	\$ -	\$ -	\$ -	\$ 21,487

This statement is continued on the next page.

CITY OF THOMASVILLE, GEORGIA
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
for the year ended December 31, 2012

	Business-Type Activities								
	Auditorium	Airport	Golf Course	Natural Gas	Rose.net	Sanitation	Telecommunications	Telephony	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:									
Operating income (loss)	\$ (98,905)	\$ (521,053)	\$ (549,570)	\$ 578,221	\$ 1,003,237	\$ 158,996	\$ 333,703	\$ 809,438	\$ 1,714,067
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:									
Depreciation expense	121,155	523,348	58,313	137,528	200,400	326,545	205,632	94,186	1,667,117
(Increase) decrease in accounts receivable	-	10,392	39,299	(2,942)	(70,156)	(26,031)	(37,180)	(22,173)	(108,791)
(Increase) decrease in due from other funds	-	-	-	114,975	(222,601)	-	-	(492,694)	(600,320)
(Increase) decrease in inventories	-	(4,736)	(2,503)	14,509	(108,594)	(57,119)	-	-	(158,443)
(Increase) decrease in prepaid items	(303)	(2,250)	(359)	(83)	(5)	(1,876)	157,917	-	153,041
Increase (decrease) in accounts payable	2,516	(29,820)	12,565	68,452	67,819	54,970	(160,383)	(29,172)	(13,053)
(Decrease) in unearned revenue	-	(4,500)	-	-	-	-	-	-	(4,500)
Increase (decrease) in due to other funds	58,123	427,915	298,400	-	-	244,048	(205,306)	-	823,180
Increase in accrued liabilities	72	2,651	1,907	1,950	1,896	8,972	97	2,527	20,072
Increase (decrease) in accrued compensated absences	-	-	84	(4,306)	-	802	-	-	(3,420)
Total adjustments	181,573	923,000	407,706	330,083	(131,241)	550,311	(39,223)	(447,326)	1,774,883
Net cash provided by (used in) operating activities	\$ 82,668	\$ 401,947	\$ (141,864)	\$ 908,304	\$ 871,996	\$ 709,307	\$ 294,480	\$ 362,112	\$ 3,488,950



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Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City and to other government units, on a cost reimbursement basis.

Building Maintenance Fund – This fund is used to account for the cost of maintaining City buildings.

City Shop Fund – This fund is used to account for the cost of maintaining City vehicles.

Customer Service Fund – This fund is used to account for the cost of billing, cashiering and related customer services for the City and other government units.

Engineering Fund – This fund is used to account for the cost of providing City engineering services.

Information Systems Fund – This fund is used to account for the cost of providing and maintaining computer systems, Internet services, and networking services for the City and other government units.

Marketing Fund – This fund is used to account for the cost of organizing and implementing marketing strategies for the City and other government units.

Purchasing Fund – This fund is used to account for the cost of operating a centralized purchasing department and warehouse.

Financial Services Fund – This fund is used to account for the cost of providing financial accounting, reporting and payroll administrative services for the City.

Human Resources Fund – This fund is used to account for the various costs associated with the administration of the City's human resources function.

Self Insurance Fund – This fund is used to account for the cost of providing various insurance coverages, including health and dental, workers' compensation, and unemployment claims for City employees. Resources are contributed by employees and the City.

Technical Services Fund – This fund is used to account for the cost of providing City technical services.

CITY OF THOMASVILLE, GEORGIA
Combining Statement of Net Assets
Internal Service Funds
December 31, 2012

	Building Maintenance	City Shop	Customer Service	Engineering	Information Systems	Marketing	Purchasing	Financial Services	Human Resources	Self Insurance	Technical Services	Total
ASSETS												
Current:												
Cash	\$ -	\$ 100	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ 359,507	\$ -	\$ 360,757
Accounts receivable	-	40	803	100	18,378	-	-	-	-	220,838	7,303	247,462
Due from other funds	2,683	-	117,959	-	-	26,623	2,157	1,474	38,402	-	-	189,298
Inventories	-	62,821	-	-	2,320	-	-	-	-	-	-	65,141
Prepaid items	75	1,200	11,843	968	1,195	95	6	33	12	21,120	2,245	38,792
Total current assets	2,758	64,161	130,755	1,068	21,893	26,718	2,163	2,507	38,414	601,465	9,548	901,450
Noncurrent:												
Capital assets:												
Buildings	-	1,421,262	-	192,219	23,430	-	-	-	-	-	277,356	1,914,267
Machinery and equipment	16,693	197,981	683,610	257,180	4,642,750	9,492	10,500	15,125	-	172,425	633,717	6,639,473
Less accumulated depreciation	(16,693)	(308,746)	(662,401)	(296,642)	(3,484,680)	(6,621)	(10,500)	(5,294)	-	(172,425)	(245,955)	(5,209,957)
Total capital assets (net of accumulated depreciation)	-	1,310,497	21,209	152,757	1,181,500	2,871	-	9,831	-	-	665,118	3,343,783
Total noncurrent assets	-	1,310,497	21,209	152,757	1,181,500	2,871	-	9,831	-	-	665,118	3,343,783
Total assets	2,758	1,374,658	151,964	153,825	1,203,393	29,589	2,163	12,338	38,414	601,465	674,666	4,245,233
LIABILITIES												
Current:												
Accounts payable	574	149,927	26,461	5,348	132,564	20,109	171	4,832	15,773	20,753	15,759	392,271
Due to other funds	-	615,733	-	105,002	675,785	-	-	-	-	1,073,290	586,344	3,056,154
Accrued liabilities	900	9,804	30,438	9,148	18,687	9,480	1,992	7,506	4,163	1,491	32,154	125,763
Claims payable	-	-	-	-	-	-	-	-	-	961,219	-	961,219
Current portion of long-term debt	-	90,235	1,814	901	63,032	-	-	-	3,696	-	9,038	168,716
Total current liabilities	1,474	865,699	58,713	120,399	890,068	29,589	2,163	12,338	23,632	2,056,753	643,295	4,704,123
Noncurrent:												
Accrued compensated absences	-	-	7,254	3,604	9,648	-	-	-	14,782	-	17,710	52,998
Net OPEB obligation	-	-	-	-	-	-	-	-	-	2,915,625	-	2,915,625
Notes payable, less current portion	-	264,953	-	-	303,677	-	-	-	-	-	13,835	582,465
Total noncurrent liabilities	-	264,953	7,254	3,604	313,325	-	-	-	14,782	2,915,625	31,545	3,551,088
Total liabilities	1,474	1,130,652	65,967	124,003	1,203,393	29,589	2,163	12,338	38,414	4,972,378	674,840	8,255,211
NET ASSETS												
Invested in capital assets, net of related debt	-	955,309	21,209	152,757	817,203	2,871	-	9,831	-	-	646,672	2,605,852
Unrestricted	1,284	(711,303)	64,788	(122,935)	(817,203)	(2,871)	-	(9,831)	-	(4,370,913)	(646,846)	(6,615,830)
Total net assets	\$ 1,284	\$ 244,006	\$ 85,997	\$ 29,822	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,370,913)	\$ (174)	\$ (4,009,978)

CITY OF THOMASVILLE, GEORGIA
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Internal Service Funds
for the year ended December 31, 2012

	Building Maintenance	City Shop	Customer Service	Engineering	Information Systems	Marketing	Purchasing	Financial Services	Human Resources	Self Insurance	Technical Services	Total
Operating revenues:												
Charges for services	\$ 89,782	\$ 2,883,821	\$ 2,386,070	\$ 631,328	\$ 1,982,051	\$ 810,918	\$ 117,882	\$ 516,850	\$ 382,982	\$ 6,745,054	\$ 2,364,951	\$ 18,911,689
Miscellaneous revenue	-	3,322	-	20,940	-	-	-	14,416	14,520	-	-	53,198
Total operating revenues	89,782	2,887,143	2,386,070	652,268	1,982,051	810,918	117,882	531,266	397,502	6,745,054	2,364,951	18,964,887
Operating expenses:												
Personal services	43,970	446,643	1,455,206	440,261	998,724	550,125	84,381	282,998	309,373	68,983	1,477,095	6,157,759
Contracted services	7,371	426,726	162,817	60,885	290,993	108,538	4,685	96,970	15,476	6,622,948	296,252	8,093,661
Cost of sales	-	1,722,979	-	-	-	-	-	-	-	-	-	1,722,979
Supplies	18,641	43,200	170,357	28,457	95,599	25,263	5,611	35,761	18,065	9,011	59,171	509,136
Interfund charges	19,800	99,924	513,792	98,892	211,404	125,760	22,680	112,488	54,588	420,006	440,844	2,120,178
Depreciation	-	36,434	1,901	12,974	374,096	1,232	525	3,025	-	-	91,643	521,830
Total operating expenses	89,782	2,775,906	2,304,073	641,469	1,970,816	810,918	117,882	531,242	397,502	7,120,948	2,365,005	19,125,543
Operating income (loss)	-	111,237	81,997	10,799	11,235	-	-	24	-	(375,894)	(54)	(160,656)
Nonoperating revenues (expenses):												
Investment earnings	-	-	-	-	-	-	-	-	-	1,127	-	1,127
Interest expense	-	(11,236)	-	(103)	(11,235)	-	-	(24)	-	-	(120)	(22,718)
Total nonoperating revenues (expenses)	-	(11,236)	-	(103)	(11,235)	-	-	(24)	-	1,127	(120)	(21,591)
Income (loss) before transfers	-	100,001	81,997	10,696	-	-	-	-	-	(374,767)	(174)	(182,247)
Change in net assets	-	100,001	81,997	10,696	-	-	-	-	-	(374,767)	(174)	(182,247)
Net assets, beginning	1,284	144,005	4,000	19,126	-	-	-	-	-	(3,996,146)	-	(3,827,731)
Net assets, ending	\$ 1,284	\$ 244,006	\$ 85,997	\$ 29,822	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,370,913)	\$ (174)	\$ (4,009,978)

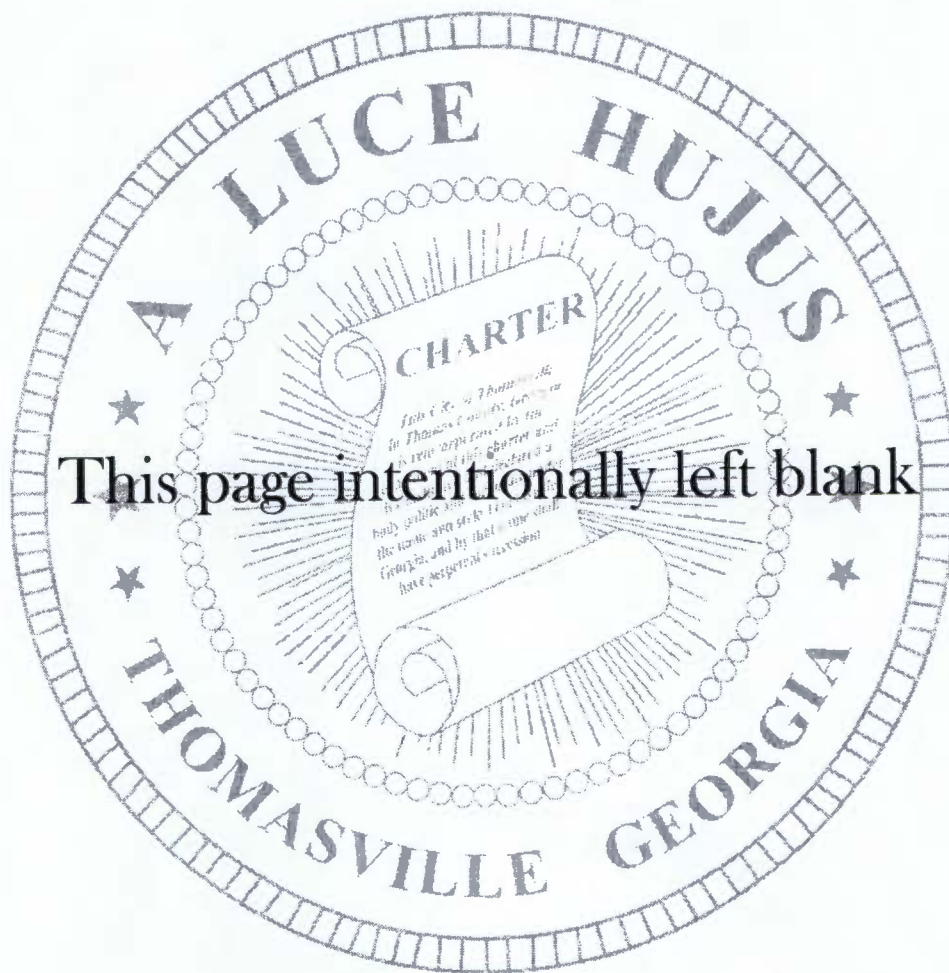
CITY OF THOMASVILLE, GEORGIA
Combining Statement of Cash Flows
Internal Service Funds
for the year ended December 31, 2012

	Building Maintenance	City Shop	Customer Service	Engineering	Information Systems	Marketing	Purchasing	Financial Services	Human Resources	Self Insurance	Technical Services	Total
CASH FLOWS FROM OPERATING ACTIVITIES												
Receipts from customers and users	\$ -	\$ -	\$ 52,781	\$ 20,940	\$ 256,052	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 329,773
Receipts from interfund services provided	89,782	2,865,357	2,333,289	631,228	1,722,152	810,918	117,882	538,074	397,502	6,580,364	2,364,835	18,451,383
Payments to suppliers	(25,470)	(2,204,759)	(314,848)	(88,197)	(284,341)	(128,409)	(11,358)	(144,911)	(35,209)	(5,788,520)	(355,320)	(9,381,342)
Payments to employees	(43,720)	(444,133)	(1,456,812)	(437,885)	(993,090)	(547,335)	(83,844)	(280,651)	(307,705)	(68,646)	(1,467,530)	(6,131,351)
Payments for interfund services used	(20,592)	(99,924)	(614,410)	(29,805)	(107,611)	(135,174)	(22,680)	(112,488)	(54,588)	(544,377)	(526,899)	(2,268,548)
Net cash provided by operating activities	-	116,541	-	96,281	593,162	-	-	24	-	178,821	15,086	999,915
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES												
Advances from other funds	-	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by noncapital and related financing activities	-	-	-	-	-	-	-	-	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES												
Proceeds from capital debt	-	-	-	-	-	-	-	-	-	-	23,057	23,057
Purchases of capital assets	-	(26,612)	-	(92,438)	(525,413)	-	-	-	-	-	(6,521)	(650,984)
Principal paid	-	(78,693)	-	(3,740)	(56,514)	-	-	-	-	-	(31,502)	(170,449)
Interest paid	-	(11,236)	-	(103)	(11,235)	-	-	(24)	-	-	(120)	(22,718)
Net cash (used in) capital and related financing activities	-	(116,541)	-	(96,281)	(593,162)	-	-	(24)	-	-	(15,086)	(821,094)
CASH FLOWS FROM INVESTING ACTIVITIES												
Interest and dividends received	-	-	-	-	-	-	-	-	-	1,127	-	1,127
Net cash provided by investing activities	-	-	-	-	-	-	-	-	-	1,127	-	1,127
Net increase in cash and cash equivalents	-	-	-	-	-	-	-	-	-	179,948	-	179,948
Cash and cash equivalents, January 1	-	100	150	-	-	-	-	1,000	-	179,559	-	180,809
Cash and cash equivalents, December 31	\$ -	\$ 100	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ 359,507	\$ -	\$ 360,757

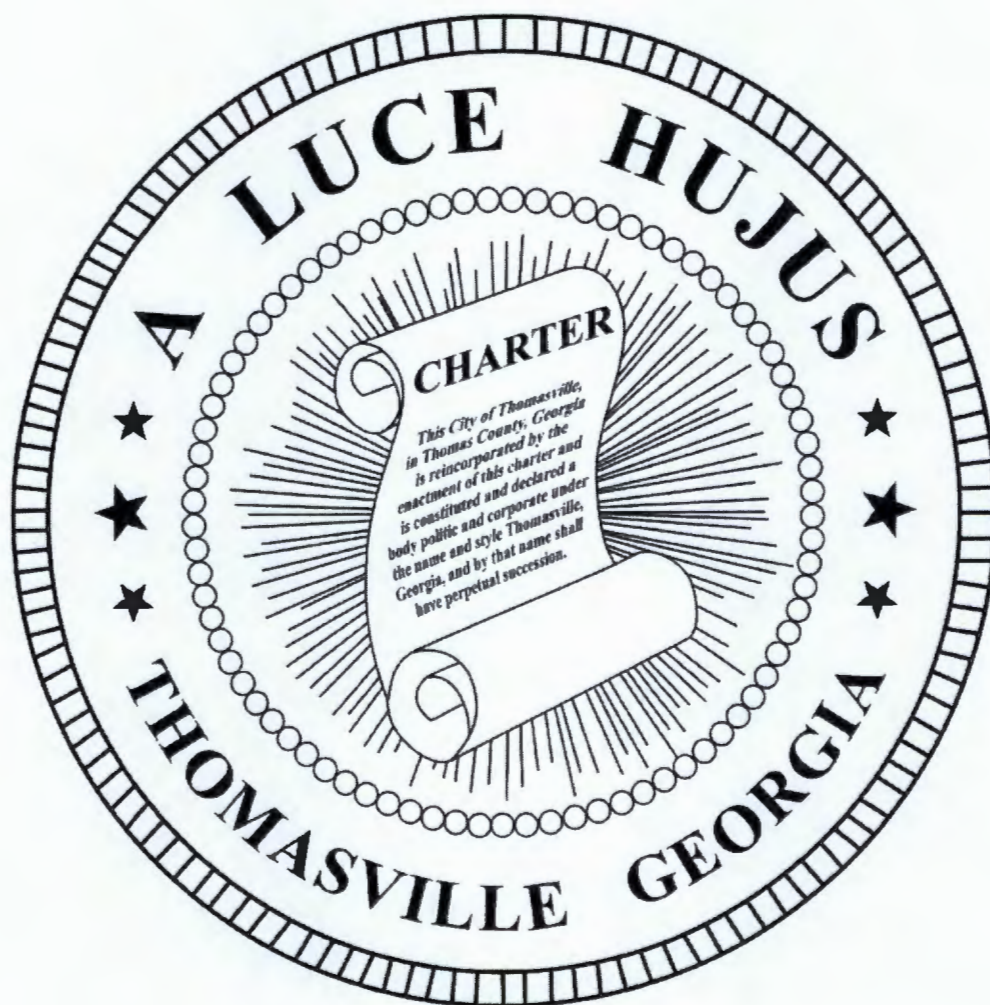
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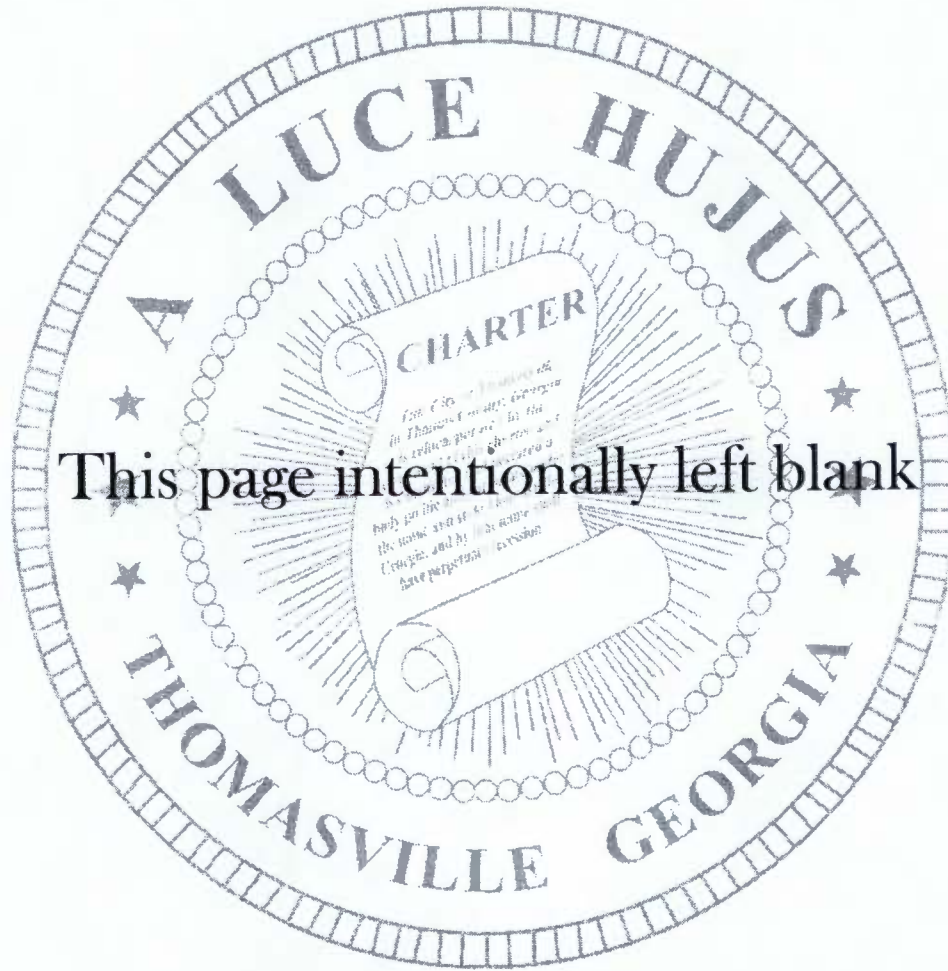
CITY OF THOMASVILLE, GEORGIA
Combining Statement of Cash Flows
Internal Service Funds
for the year ended December 31, 2012

	Building Maintenance	City Shop	Customer Service	Engineering	Information Systems	Marketing	Purchasing	Financial Services	Human Resources	Self Insurance	Technical Services	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:												
Operating income (loss)	\$ -	\$ 111,237	\$ 81,997	\$ 10,799	\$ 11,235	\$ -	\$ -	\$ 24	\$ -	\$ (375,894)	\$ (34)	\$ (160,656)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:												
Depreciation expense	-	36,434	1,901	12,974	374,096	1,232	525	3,025	-	-	91,643	521,830
(Increase) decrease in accounts receivable	-	462	-	(100)	(3,847)	-	-	6,808	-	(164,690)	(116)	(161,483)
(Increase) in due from other funds	-	-	-	-	-	-	(1,062)	-	(9,165)	-	-	(10,227)
(Increase) decrease in inventories	-	(11,188)	-	-	6,647	-	-	-	-	-	-	(4,541)
(Increase) decrease in prepaid items	24	98	(7)	(2)	154	882	4	(3)	3	(1,628)	669	194
Increase in net OPEB obligation	-	-	-	-	-	-	-	-	-	465,391	-	465,391
Increase (decrease) in accounts payable	518	(764)	18,333	1,147	95,450	4,510	(4)	(12,177)	7,494	379,676	(566)	493,617
Increase (decrease) in due to other funds	(792)	(22,248)	(100,618)	69,087	103,793	(9,414)	-	-	-	(124,371)	(86,055)	(170,618)
Increase in accrued liabilities	250	2,510	8,228	2,244	5,285	2,790	537	2,347	1,135	337	9,278	34,941
Increase (decrease) in accrued compensated absences	-	-	(9,834)	132	349	-	-	-	533	-	287	(8,533)
Total adjustments	-	5,304	(81,997)	85,482	581,927	-	-	-	-	554,715	15,140	1,160,571
Net cash provided by operating activities	\$ -	\$ 116,541	\$ -	\$ 96,281	\$ 593,162	\$ -	\$ -	\$ 24	\$ -	\$ 178,821	\$ 15,086	\$ 999,915



Capital Assets Used in the Operation of Governmental Funds





CITY OF THOMASVILLE, GEORGIA
Capital Assets used in the Operation of Governmental Funds
Comparative Schedules by Source(1)
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Governmental funds capital assets:		
Land	\$ 1,512,093	\$ 1,512,093
Buildings	5,398,164	5,297,830
Machinery and equipment	13,009,592	12,391,798
Infrastructure	62,289,615	60,299,702
Construction in progress	-	36,453
Total governmental funds capital assets	<u>\$ 82,209,464</u>	<u>\$ 79,537,876</u>
Investments in governmental funds capital assets by source:		
General fund	\$ 58,422,284	\$ 57,987,613
Special revenue funds	13,803,565	13,787,627
Capital project funds	9,983,615	7,762,636
Total investments in governmental funds capital assets	<u>\$ 82,209,464</u>	<u>\$ 79,537,876</u>

- (1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

CITY OF THOMASVILLE, GEORGIA
Capital Assets used in the Operation of Governmental Funds
Schedule by Function and Activity (1)
December 31, 2012

Function and Activity	Land	Buildings	Machinery and Equipment	Infrastructure	Construction in Progress	Total
General administration:						
Council	\$ -	\$ 184,428	\$ 15,151	\$ -	\$ -	\$ 199,579
Manager	-	2,053,174	93,526	-	-	2,146,700
Clerk	-	-	9,500	-	-	9,500
Risk management	-	-	-	-	-	-
Human resources	-	-	13,300	-	-	13,300
Planning and zoning	87,329	217,930	222,542	12,811	-	540,612
Other - unclassified	689,658	156,531	75,243	592,996	-	1,514,428
Total general administration	<u>776,987</u>	<u>2,612,063</u>	<u>429,262</u>	<u>605,807</u>	<u>-</u>	<u>4,424,119</u>
Public Safety:						
Police	33,000	-	4,389,801	178,278	-	4,601,079
Fire	-	928,797	5,684,377	-	-	6,613,174
Inspection	-	-	37,089	26,565	-	63,654
Total public safety	<u>33,000</u>	<u>928,797</u>	<u>10,111,267</u>	<u>204,843</u>	<u>-</u>	<u>11,277,907</u>
Highways and streets	<u>65,000</u>	<u>532,696</u>	<u>2,172,780</u>	<u>55,348,861</u>	<u>-</u>	<u>58,119,337</u>
Economic development	<u>557,106</u>	<u>1,000,000</u>	<u>5,752</u>	<u>2,223,945</u>	<u>-</u>	<u>3,786,803</u>
Culture and recreation:						
Parks and recreation	<u>80,000</u>	<u>324,608</u>	<u>290,531</u>	<u>3,906,159</u>	<u>-</u>	<u>4,601,298</u>
Total culture and recreation	<u>80,000</u>	<u>324,608</u>	<u>290,531</u>	<u>3,906,159</u>	<u>-</u>	<u>4,601,298</u>
Total governmental funds capital assets	\$ <u>1,512,093</u>	\$ <u>5,398,164</u>	\$ <u>13,009,592</u>	\$ <u>62,289,615</u>	\$ <u>-</u>	\$ <u>82,209,464</u>

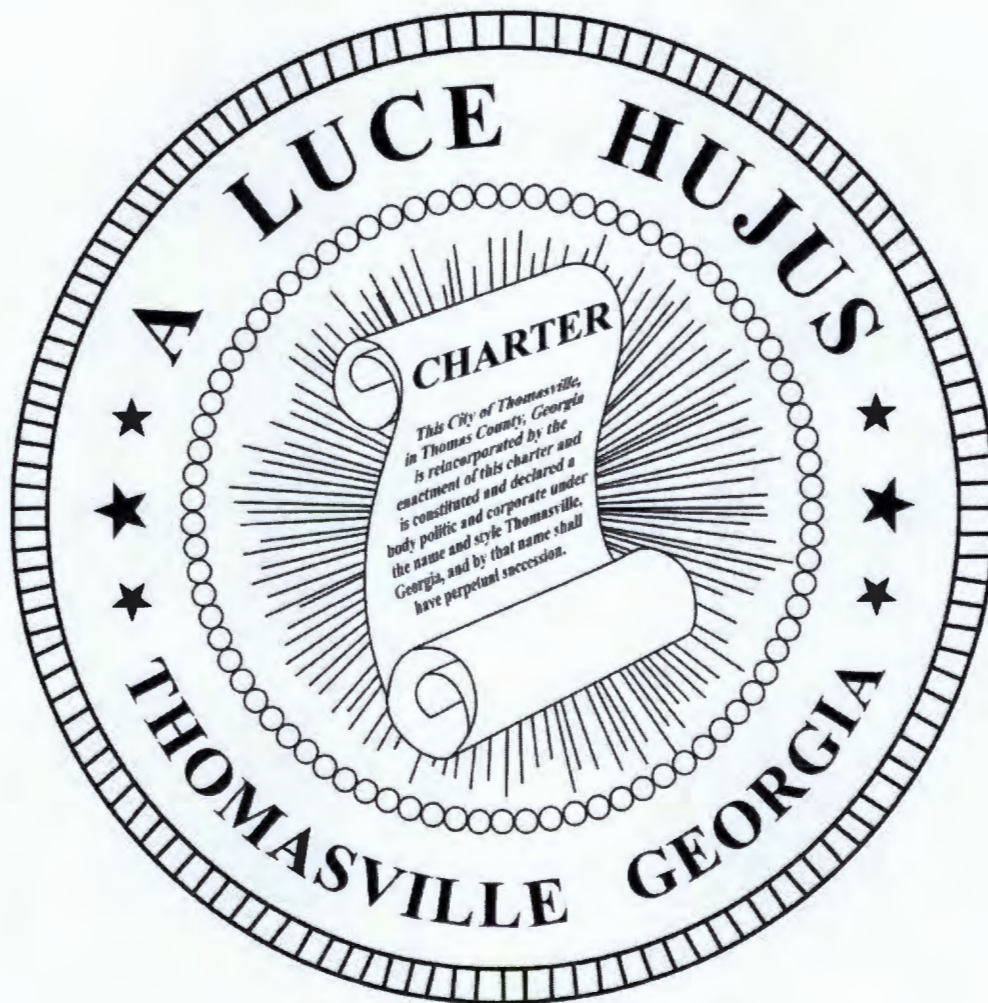
(1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

CITY OF THOMASVILLE, GEORGIA
Capital Assets used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity (1)
for the fiscal year ended December 31, 2012

Function and Activity	Governmental Funds Capital Assets January 1, 2012	Additions	Deductions	Governmental Funds Capital Assets December 31, 2012
General administration:				
Council	\$ 199,579	\$ -	\$ -	\$ 199,579
Manager	2,146,700	-	-	2,146,700
Clerk	9,500	-	-	9,500
Risk management	-	-	-	-
Human resources	13,300	-	-	13,300
Planning and zoning	540,612	-	-	540,612
Other - unclassified	1,461,431	52,997	-	1,514,428
Total general administration	<u>4,371,122</u>	<u>52,997</u>	<u>-</u>	<u>4,424,119</u>
Public safety:				
Police	4,286,379	314,700	-	4,601,079
Fire	6,546,200	66,974	-	6,613,174
Inspection	63,654	-	-	63,654
Total public safety	<u>10,896,233</u>	<u>381,674</u>	<u>-</u>	<u>11,277,907</u>
Highways and streets	<u>55,898,358</u>	<u>2,220,979</u>	<u>-</u>	<u>58,119,337</u>
Economic development	<u>3,734,412</u>	<u>52,391</u>	<u>-</u>	<u>3,786,803</u>
Culture and recreation:				
Parks and recreation	<u>4,637,751</u>	<u>-</u>	<u>(36,453)</u>	<u>4,601,298</u>
Total culture and recreation	<u>4,637,751</u>	<u>-</u>	<u>(36,453)</u>	<u>4,601,298</u>
Total governmental funds capital assets	<u>\$ 79,537,876</u>	<u>\$ 2,708,041</u>	<u>\$ (36,453)</u>	<u>\$ 82,209,464</u>

(1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

Statistical Section



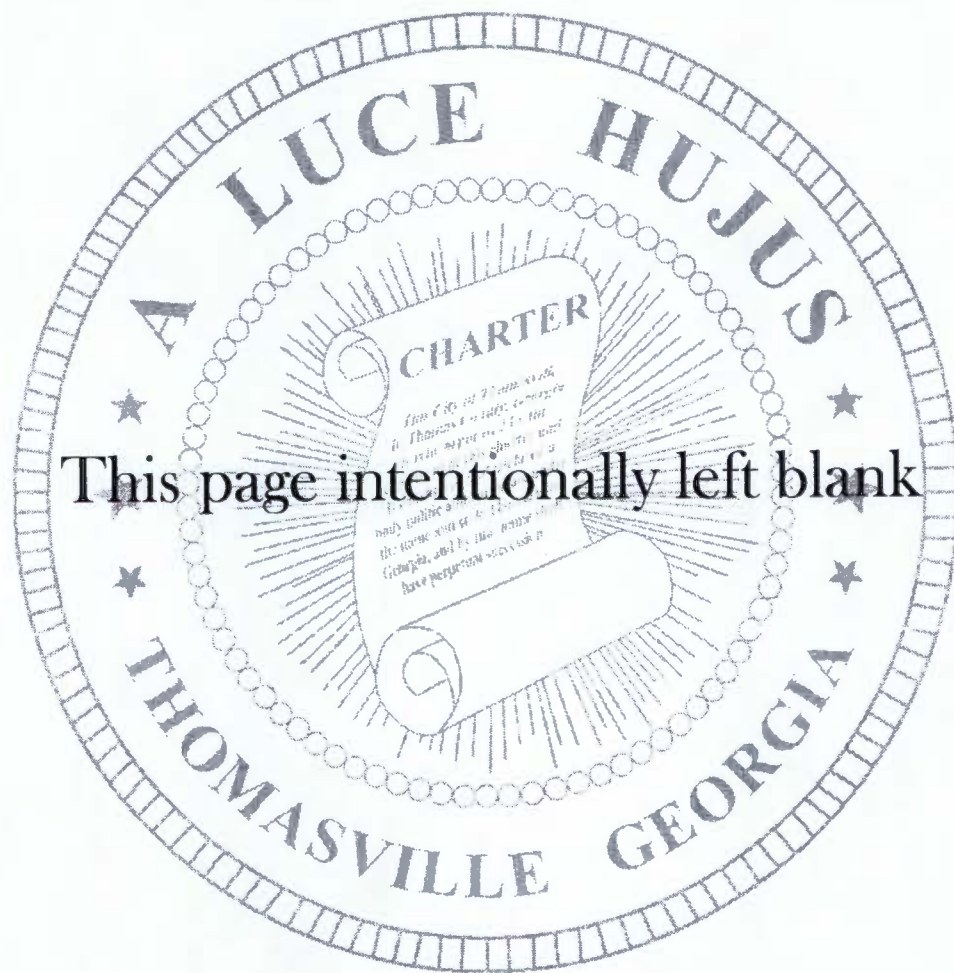
Statistical Section

Index

This part of the City of Thomasville's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	124
Revenue Capacity These schedules contain information to help the reader assess property tax as a revenue source.	131
Debt Capacity These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the city's ability to issue additional debt in the future.	135
Demographic and Economic Information These schedules offer demographic and economic data to help the reader understand the environment within which the government's financial activities take place.	140
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	142

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.



CITY OF THOMASVILLE, GEORGIA
Net Assets by Component
Last Ten Fiscal Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities										
Invested in capital assets, net of related debt	10,895,722 \$	12,880,152 \$	12,880,811 \$	15,473,038 \$	15,836,782 \$	15,418,355 \$	21,223,696 \$	22,685,099 \$	22,193,105 \$	23,544,184
Restricted	3,534,651	3,275,733	2,910,806	2,515,530	4,101,034	5,013,295	3,426,598	3,385,865	4,268,675	6,160,361
Unrestricted	(2,553,625)	(5,334,138)	(6,896,434)	(9,736,204)	(8,289,613)	(7,321,353)	(9,311,363)	(7,500,842)	(6,828,242)	(8,414,872)
Total governmental activities net assets	\$ 11,876,748	\$ 10,821,747	\$ 8,895,183	\$ 8,252,364	\$ 11,648,203	\$ 13,110,297	\$ 15,338,931	\$ 18,570,122	\$ 19,633,538	\$ 21,289,673
Business-type activities										
Invested in capital assets, net of related debt	51,556,943 \$	61,496,868 \$	55,291,817 \$	58,401,648 \$	60,786,063 \$	69,303,844 \$	70,400,403 \$	74,378,388 \$	75,652,169 \$	77,589,065
Restricted	5,955,282	6,320,166	6,732,922	10,949,744	11,543,612	13,449,097	13,686,930	15,417,672	17,363,352	18,451,886
Unrestricted	18,414,303	15,030,759	28,270,861	29,098,743	34,289,227	28,356,828	31,935,612	34,126,887	31,090,593	26,941,620
Total business-type activities net assets	\$ 75,926,528	\$ 82,847,793	\$ 90,295,600	\$ 98,450,135	\$ 106,618,902	\$ 111,109,769	\$ 116,022,945	\$ 123,922,947	\$ 124,106,114	\$ 122,982,571
Primary government										
Invested in capital assets, net of related debt	62,452,665 \$	74,377,020 \$	68,172,628 \$	73,874,686 \$	76,622,845 \$	84,722,199 \$	91,624,099 \$	97,063,487 \$	97,845,274 \$	101,133,249
Restricted	9,489,933	9,595,899	9,643,728	13,465,274	15,644,646	18,462,392	17,113,528	18,803,537	21,632,027	24,612,247
Unrestricted	15,860,678	9,696,621	21,374,427	19,362,539	25,999,614	21,035,475	22,624,249	26,626,045	24,262,351	18,526,748
Total primary government net assets	\$ 87,803,276	\$ 93,669,540	\$ 99,190,783	\$ 106,702,499	\$ 118,267,105	\$ 124,220,066	\$ 131,361,876	\$ 142,493,069	\$ 143,739,652	\$ 144,272,244

CITY OF THOMASVILLE, GEORGIA

Changes in Net Assets

Last Ten Fiscal Years

Expenses	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities:										
General administration	\$ 7,769,805	\$ 9,419,029	\$ 7,681,407	\$ 9,841,604	\$ 9,925,253	\$ 12,395,352	\$ 12,699,312	\$ 15,216,156	\$ 15,994,007	\$ 17,229,128
Financial administration	2,409,713	3,074,295	2,991,493	2,842,551	2,849,713	3,209,523	3,293,314	3,441,489	3,744,479	3,431,351
Facilities maintenance	562,207	94,567	72,831	67,989	70,303	87,210	83,175	83,715	95,648	89,782
Public safety	6,083,345	7,062,416	7,864,685	7,789,216	7,982,952	8,433,268	8,669,573	9,387,215	9,978,637	10,295,396
Highways and streets	1,826,060	2,681,025	2,714,020	2,680,412	2,940,665	3,086,908	3,079,823	3,554,482	3,925,322	4,028,055
Economic development	739,643	1,030,021	942,415	884,385	869,956	880,389	909,793	933,451	1,047,159	1,013,147
Culture and recreation	1,371,831	977,958	1,041,762	1,014,172	1,083,870	1,106,450	1,085,127	1,134,534	1,285,681	1,221,190
Investments on long term debt	173,894	161,312	189,410	261,276	249,466	220,606	129,825	108,799	84,048	79,163
Total governmental activities expenses	20,936,498	24,500,623	23,498,023	25,381,605	25,972,178	29,419,706	29,949,942	33,859,841	36,154,981	37,387,212
Business-type activities:										
Auditorium	-	207,365	235,192	219,754	217,937	247,731	256,307	259,312	258,552	249,069
Airport	1,059,730	1,207,251	1,948,191	2,341,236	2,547,433	2,655,558	1,993,431	2,468,699	2,681,232	2,581,952
Community network services	3,904,438	4,542,418	6,159,540	5,306,645	5,795,865	6,601,003	7,098,750	7,317,917	7,369,168	7,486,007
Electric	30,187,207	32,072,298	35,242,460	39,028,800	40,939,437	43,414,341	41,550,537	44,173,661	46,654,653	46,996,719
Golf Course	650,660	667,902	752,471	826,011	810,658	843,260	835,926	949,196	975,135	993,138
Landfill	2,010,983	1,769,636	2,094,414	2,540,086	2,482,267	2,729,333	3,548,827	2,915,366	3,136,876	2,554,795
Natural gas	4,410,039	4,627,895	5,744,124	5,106,459	4,918,164	6,054,942	3,896,336	4,423,080	3,825,147	3,486,050
Rose.net	1,530,627	2,111,925	2,274,812	2,406,330	2,671,561	2,970,256	3,119,511	3,379,809	3,564,242	3,455,292
Sanitation	2,690,306	3,195,605	3,388,441	3,877,903	4,115,336	4,200,818	3,958,259	4,263,858	4,557,858	4,554,744
Telecommunications	775,370	1,236,095	1,254,530	1,457,035	1,430,799	1,497,047	1,182,114	1,309,705	1,200,115	1,094,957
Telephony	-	-	-	-	327,931	848,264	1,163,780	1,790,955	1,943,205	1,839,357
Water and sewer	4,891,354	4,945,108	5,352,387	5,854,794	6,313,380	7,163,896	7,177,501	7,357,635	7,621,326	8,031,182
Total business-type activities expenses	52,110,714	56,583,498	64,446,562	68,965,053	72,570,768	79,226,449	75,781,279	80,609,193	83,787,509	83,323,262
Total primary government expenses	\$ 73,047,212	\$ 81,084,121	\$ 87,944,585	\$ 94,346,658	\$ 98,542,946	\$ 108,646,155	\$ 105,731,221	\$ 114,469,034	\$ 119,942,490	\$ 120,710,474
Program Revenues										
Governmental activities:										
Charges for services:										
General administration	\$ 6,667,727	\$ 9,037,571	\$ 6,422,838	\$ 7,879,351	\$ 8,265,090	\$ 10,103,582	\$ 10,585,830	\$ 12,810,086	\$ 13,953,859	\$ 15,000,705
Financial administration	1,871,307	2,799,149	2,981,073	2,875,619	2,862,222	3,232,622	3,268,060	3,415,028	3,741,343	3,403,784
Facilities maintenance	562,408	94,768	73,508	68,923	70,971	87,751	83,327	83,852	228,225	89,782
Public safety	935,214	959,594	1,022,119	1,063,672	1,118,448	447,617	403,180	564,897	632,494	618,510
Highways and streets	245,167	1,091,587	755,825	918,204	842,997	704,632	580,232	886,280	784,864	4,553,780
Economic development	7,066	31,644	5,305	4,100	3,500	4,950	15,280	11,065	11,260	97,705
Culture and recreation	31,137	-	-	-	-	-	-	-	-	-
Operating grants and contributions	328,374	141,546	26,898	65,263	212,348	221,787	95,129	212,512	67,464	-
Capital grants and contributions	439,058	503,053	2,298,340	700,811	842,840	479,238	2,725,144	2,238,723	3,033,498	-
Total governmental activities program revenues	\$ 11,087,458	\$ 14,658,912	\$ 13,585,906	\$ 13,575,943	\$ 14,218,416	\$ 15,282,179	\$ 17,756,182	\$ 20,222,443	\$ 22,453,007	\$ 23,764,266
Business-type activities:										
Charges for services:										
Auditorium	-	47,226	35,320	40,870	43,989	127,030	170,016	147,740	150,671	147,235
Airport	1,033,513	1,249,841	1,582,568	1,887,819	2,116,795	2,113,884	1,413,693	1,854,284	2,208,341	2,009,632
Community network services	3,244,146	4,140,326	5,697,306	5,244,783	6,099,468	6,665,412	7,211,482	8,025,974	8,460,075	8,442,552
Electric	34,903,456	37,552,459	41,070,400	45,821,191	48,314,740	48,131,749	49,655,660	51,890,633	50,751,441	53,641,417
Golf Course	345,397	332,309	320,898	425,042	402,219	371,970	385,347	401,150	444,080	424,116
Landfill	2,484,407	2,339,631	2,820,638	3,371,405	3,558,291	2,905,338	2,721,914	3,093,794	2,432,076	2,459,622
Natural gas	4,867,470	5,073,523	6,402,880	5,461,940	5,401,969	6,280,832	4,357,056	5,033,474	4,308,372	4,066,983
Rose.net	2,334,162	2,365,275	2,515,470	2,906,721	3,141,039	3,452,550	3,652,431	3,978,625	4,176,907	4,461,315
Sanitation	3,226,516	3,488,913	3,485,724	4,091,912	4,949,670	4,681,676	4,543,301	4,769,958	4,784,545	4,657,592
Telecommunications	913,639	994,844	1,083,159	1,252,025	1,542,735	1,685,290	1,528,730	1,391,293	1,313,785	1,408,976
Telephony	-	-	-	-	361,428	1,248,393	1,814,152	2,431,898	2,454,353	2,651,243
Water and sewer	5,372,074	5,909,255	6,413,735	7,065,495	7,867,294	8,394,245	8,261,163	8,627,679	9,104,977	9,378,475
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	930,384	290,262	23,994	763,488	63,963	576,009	-	109,066	97,353	-
Total business-type activities program revenues	59,655,164	63,783,864	71,452,092	78,332,691	83,863,600	86,634,378	85,714,945	91,755,568	90,686,976	93,749,158
Total primary government program revenues	\$ 70,742,622	\$ 78,442,776	\$ 85,037,998	\$ 91,908,634	\$ 98,082,016	\$ 101,916,557	\$ 103,471,127	\$ 111,978,011	\$ 113,139,983	\$ 117,513,424

CITY OF THOMASVILLE, GEORGIA

Changes in Net Assets

Last Ten Fiscal Years

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Net (expenses)/revenues										
Governmental activities	\$ (9,849,040)	\$ (9,841,711)	\$ (9,912,117)	\$ (11,805,662)	\$ (11,753,762)	\$ (14,137,527)	\$ (12,193,760)	\$ (13,637,398)	\$ (13,701,974)	\$ (13,622,946)
Business-type activities	7,544,450	7,200,366	7,003,530	9,367,638	11,292,832	7,407,929	9,933,666	11,146,375	6,899,467	10,425,896
Total primary government net expenses	\$ (2,304,590)	\$ (2,641,345)	\$ (2,908,587)	\$ (2,438,024)	\$ (460,930)	\$ (6,729,598)	\$ (2,260,094)	\$ (2,491,023)	\$ (6,802,507)	\$ (3,197,050)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes, general	\$ 581,081	\$ 623,178	\$ 574,643	\$ 677,708	\$ 652,570	\$ 690,634	\$ 632,782	\$ 619,980	\$ 564,179	\$ 539,110
Property taxes, fire services	1,074,896	2,597,715	1,391,904	1,458,822	1,517,197	1,639,041	1,588,659	939,647	573,832	
Sales taxes, general	3,409,252	1,744,291	2,973,691	3,370,088	5,292,059	5,243,446	3,003,605	3,049,468	3,164,926	2,877,092
Sales taxes, selective	667,546	441,510	702,638	719,687	740,052	725,290	685,636	663,486	668,289	637,968
Business taxes	1,349,949	1,458,483	1,526,297	1,579,875	1,676,292	1,692,493	1,651,381	1,634,512	1,492,289	1,625,995
Licenses, permits and fees	78,698	-	-	-	-	-	-	-	-	-
Penalties and interest on delinquent taxes	115,635	89,544	92,060	100,173	101,723	106,927	158,991	205,370	195,543	220,035
Unrestricted investment earnings	1,111,929	233,528	75,602	136,590	198,882	153,271	59,243	55,399	287	1,127
Gain (loss) on disposal of capital assets	(1,280,493)	-	-	-	-	-	(34,720)	-	4,085	-
Miscellaneous revenues	72,985	43,144	193,118	321,505	124,862	150,370	310,158	165,212	140,866	215,188
Transfers	3,021,051	1,879,858	410,459	2,727,477	4,845,964	5,198,149	6,366,659	8,572,503	7,961,094	9,162,566
Total governmental activities	\$ 10,202,529	\$ 9,111,251	\$ 7,940,412	\$ 11,091,925	\$ 15,149,601	\$ 15,599,621	\$ 14,422,394	\$ 15,905,577	\$ 14,765,390	\$ 15,279,081
Business-type activities:										
Unrestricted investment earnings	769,890	960,823	356,516	1,100,736	1,583,626	1,621,448	490,560	390,144	410,751	163,759
Transfer to Pension Fund	-	-	-	-	-	-	(2,000,000)	-	-	(3,000,000)
Municipal Competitive Trust Contributions	-	-	-	-	-	-	2,700,000	3,562,688	296,608	
Gain (loss) on disposal of capital assets	-	-	-	195,193	(192,349)	68,989	(133,220)	41,900	76,006	22,610
Miscellaneous revenues	65,582	696,977	453,047	289,363	330,622	590,650	288,829	669,142	461,429	426,758
Transfers	(3,021,051)	(1,879,858)	(410,459)	(2,727,477)	(4,845,964)	(5,198,149)	(6,366,659)	(8,572,503)	(7,961,094)	(9,162,566)
Total business-type activities	(2,185,579)	(222,058)	399,104	(1,142,185)	(3,124,065)	(2,917,062)	(5,020,490)	(3,908,629)	(6,716,300)	(11,549,439)
Total primary government	\$ 8,016,950	\$ 8,889,193	\$ 8,339,516	\$ 9,949,740	\$ 12,025,536	\$ 12,682,559	\$ 9,401,904	\$ 11,996,948	\$ 8,049,090	\$ 3,729,642
Change in Net Assets										
Governmental activities	\$ 353,489	\$ (730,460)	\$ (1,971,705)	\$ (713,737)	\$ 3,395,839	\$ 1,462,094	\$ 2,228,634	\$ 2,268,179	\$ 1,063,416	\$ 1,656,135
Business-type activities	5,358,871	6,978,308	7,404,634	8,225,453	8,168,767	4,490,867	4,913,176	7,237,746	183,167	(1,123,543)
Total primary government	\$ 5,712,360	\$ 6,247,848	\$ 5,432,929	\$ 7,511,716	\$ 11,564,606	\$ 5,952,961	\$ 7,141,810	\$ 9,505,925	\$ 1,246,583	\$ 532,592

CITY OF THOMASVILLE, GEORGIA
Governmental Activities
Tax Revenues by Source
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Franchise Fees</u>	<u>Alcoholic Beverage Tax</u>	<u>Other</u>	<u>Total</u>
2003	1,216,620	3,645,462	439,357	431,336	1,349,949	7,082,724
2004	1,388,203	2,783,497	421,515	441,510	1,479,000	6,513,726
2005	1,544,820	2,949,016	404,192	441,289	1,616,857	6,956,174
2006	1,432,927	3,292,145	400,072	454,553	1,784,853	7,364,549
2007	1,422,100	3,389,262	430,291	476,210	2,269,190	7,987,053
2008	1,989,280	3,164,825	485,768	482,927	3,782,538	9,905,338
2009	1,696,325	3,026,364	471,158	476,061	3,639,610	9,309,518
2010	1,186,427	3,049,468	453,300	474,914	1,839,882	7,003,991
2011	560,385	3,224,752	446,093	474,200	1,727,743	6,433,173
2012	94,318	3,167,188	433,903	443,694	1,885,299	6,024,402

CITY OF THOMASVILLE, GEORGIA
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,940	\$ 67,881
Unreserved	1,348,489	224,762	(1,371,210)	(1,935,503)	(524,932)	(90,364)	224,505	315,464	(60,340)	(67,281)
Total general fund	<u>\$ 1,348,489</u>	<u>\$ 224,762</u>	<u>\$ (1,371,210)</u>	<u>\$ (1,935,503)</u>	<u>\$ (524,932)</u>	<u>\$ (90,364)</u>	<u>\$ 224,505</u>	<u>\$ 315,464</u>	<u>\$ 600</u>	<u>\$ 600</u>
 All other governmental funds										
Restricted	\$ 3,534,651	\$ 3,275,733	\$ 2,910,806	\$ 2,515,530	\$ 4,101,034	\$ 5,013,295	\$ 3,426,598	\$ 3,385,865	\$ 4,483,417	\$ 6,314,158
Unrestricted, reported in:										
Special revenue funds	(1,147,610)	(1,402,547)	(1,735,851)	(1,913,201)	(2,046,104)	(2,421,552)	(2,609,412)	(371,848)	(1,121,594)	(1,172,046)
Capital project funds	(1,001,630)	18,552	(112,927)	(195,365)	(263,449)	(421,073)	(551,264)	(374,114)	(420,938)	(636,919)
Permanent funds	(6,308)	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 1,379,103</u>	<u>\$ 1,891,738</u>	<u>\$ 1,062,028</u>	<u>\$ 406,964</u>	<u>\$ 1,791,481</u>	<u>\$ 2,170,670</u>	<u>\$ 265,922</u>	<u>\$ 2,639,903</u>	<u>\$ 2,940,885</u>	<u>\$ 4,505,193</u>

CITY OF THOMASVILLE, GEORGIA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Taxes	\$ 7,198,359	\$ 6,954,721	\$ 7,261,233	\$ 7,906,353	\$ 9,979,893	\$ 10,097,831	\$ 7,721,054	\$ 7,112,463	\$ 6,659,058	\$ 5,900,200
Licenses, permits and fees	78,698	294,202	360,503	334,002	351,588	261,719	194,880	422,433	153,947	247,634
Intergovernmental	519,447	644,499	2,324,988	766,074	1,055,188	701,025	2,820,273	2,451,235	3,004,827	3,779,229
Charges for services	1,332,246	2,161,518	836,581	993,151	961,890	345,167	320,305	429,712	414,177	408,339
Fines and forfeitures	282,504	327,147	279,238	313,972	347,109	344,048	302,831	346,279	426,304	403,546
Contributions and donations	247,985	100	250	-	-	-	-	-	100	-
Investment earnings	254,152	233,528	75,377	136,176	198,215	152,836	59,089	55,153	96,035	13,829
Miscellaneous	56,326	37,900	117,396	271,239	84,227	64,446	252,799	95,221	107,206	161,990
Total revenues	\$ 9,969,717	\$ 10,653,615	\$ 11,255,566	\$ 10,720,967	\$ 12,978,110	\$ 11,967,072	\$ 11,671,231	\$ 10,912,496	\$ 10,861,654	\$ 10,914,767
Expenditures										
General administration	\$ 1,489,477	\$ 1,722,708	\$ 1,582,318	\$ 1,577,573	\$ 1,572,844	\$ 1,732,001	\$ 1,729,637	\$ 1,777,295	\$ 1,883,954	\$ 2,034,873
Financial administration	504,359	643,094	-	-	-	-	-	-	-	-
Public safety	5,531,277	6,485,594	7,278,148	7,371,911	7,471,383	8,023,159	8,107,411	8,495,219	8,973,946	9,193,727
Highways and streets	1,285,868	1,449,589	1,630,478	1,606,621	1,807,126	1,939,028	1,936,040	2,173,982	2,421,341	2,423,206
Economic development	517,507	748,616	734,842	681,364	656,041	655,725	685,326	635,023	706,813	640,716
Culture and recreation	1,037,878	977,958	1,041,762	1,014,172	1,083,870	1,106,450	1,085,127	1,111,377	1,259,202	1,194,738
Capital outlay	2,294,848	1,504,494	1,105,779	1,658,848	1,948,122	2,834,209	4,877,920	2,710,379	2,714,876	2,671,588
Debt service										
Principal	461,170	541,317	520,656	627,507	444,399	795,963	830,494	743,464	1,246,195	900,132
Interest	158,109	131,635	153,976	207,301	183,618	152,930	87,928	69,488	53,920	55,222
Total expenditures	\$ 13,280,493	\$ 14,205,005	\$ 14,047,959	\$ 14,745,297	\$ 15,167,403	\$ 17,239,465	\$ 19,339,883	\$ 17,716,227	\$ 19,260,247	\$ 19,114,202
Excess of revenues over (under) expenditures	\$ (3,310,776)	\$ (3,551,390)	\$ (2,792,393)	\$ (4,024,330)	\$ (2,189,293)	\$ (5,272,393)	\$ (7,668,652)	\$ (6,803,731)	\$ (8,398,593)	\$ (8,199,435)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Other financing sources (uses)										
Transfer in	\$ 3,409,307	\$ 2,588,010	\$ 2,880,000	\$ 3,422,951	\$ 5,500,933	\$ 5,801,591	\$ 6,506,361	\$ 9,249,686	\$ 8,308,162	\$ 9,515,271
Debt Issuance	1,520,253	104,842	85,063	107,014	311,806	1,093,609	109,867	860,580	423,617	601,177
Transfer out	(573,444)	(754,184)	(2,598,351)	(811,540)	(828,358)	(809,050)	(537,455)	(841,595)	(347,068)	(352,705)
Total other financing sources (uses)	<u>4,356,116</u>	<u>1,938,668</u>	<u>366,712</u>	<u>2,718,425</u>	<u>4,984,381</u>	<u>6,086,150</u>	<u>6,078,773</u>	<u>9,268,671</u>	<u>8,384,711</u>	<u>9,763,743</u>
Net change in fund balance	<u>\$ 1,045,610</u>	<u>\$ (1,612,722)</u>	<u>\$ (2,425,681)</u>	<u>\$ (1,305,905)</u>	<u>\$ 2,795,088</u>	<u>\$ 813,757</u>	<u>\$ (1,589,879)</u>	<u>\$ 2,464,940</u>	<u>\$ (13,882)</u>	<u>\$ 1,564,308</u>
Debt service as a percentage of noncapital expenditures	5.6%	5.3%	5.2%	6.4%	4.8%	6.6%	6.4%	5.4%	7.9%	5.8%

CITY OF THOMASVILLE, GEORGIA
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

	<u>Real Property</u>		<u>Personal Property</u>		<u>Exemptions</u>	<u>Total</u>		Ratio of Total Assessed Value to Total Estimated Actual Value
<u>Fiscal Year</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Less: Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Estimated Actual Taxable Value</u>	
2003	308,231,850	770,579,625	101,984,159	254,960,398	55,938,990	410,216,009	1,025,540,023	40%
2004	336,835,191	842,087,978	99,272,546	248,181,365	59,184,237	436,107,737	1,090,269,343	40%
2005	345,880,502	864,701,255	92,785,863	231,964,658	124,301,538	438,666,365	1,096,665,913	40%
2006	352,295,929	880,739,823	93,555,458	233,888,645	126,808,320	445,851,387	1,114,628,468	40%
2007	363,702,651	909,256,628	95,751,721	239,379,303	127,543,449	459,454,372	1,148,635,931	40%
2008	582,147,959	1,455,369,898	102,319,951	255,799,878	126,802,804	684,467,910	1,711,169,776	40%
2009	574,588,795	1,436,471,988	106,338,661	265,846,653	139,213,365	680,927,456	1,702,318,641	40%
2010	582,374,965	1,455,937,413	98,520,598	238,801,495	132,057,535	680,895,563	1,694,738,908	40%
2011	529,789,314	1,324,473,285	105,634,701	264,086,753	132,884,275	635,424,015	1,588,560,038	40%
2012	505,135,458	1,262,838,645	111,484,114	278,710,285	185,503,291	616,619,572	1,541,548,930	40%

CITY OF THOMASVILLE, GEORGIA
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	City of Thomasville			Thomas County			City of Thomasville Board of Education			
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	Total
2003	3.500	0.000	3.500	8.490	0.000	8.490	16.901	0.000	16.901	28.891
2004	3.249	0.000	3.249	6.360	0.000	6.360	16.901	0.000	16.901	26.510
2005	3.246	0.000	3.246	6.334	0.000	6.334	18.310	0.000	18.310	27.890
2006	3.570	0.000	3.570	6.329	0.000	6.329	18.990	0.000	18.990	28.889
2007	3.500	0.000	3.500	8.398	0.000	8.398	18.990	0.000	18.990	30.888
2008	2.550	0.000	2.550	6.734	0.000	6.734	17.100	0.000	17.100	26.384
2009	2.500	0.000	2.500	8.529	0.000	8.529	17.093	0.000	17.093	28.122
2010	1.440	0.000	1.440	8.514	0.000	8.514	17.093	0.000	17.093	27.047
2011	0.950	0.000	0.950	8.514	0.000	8.514	17.093	0.000	17.093	26.557
2012	0.000	0.000	0.000	8.665	0.000	8.665	17.525	0.000	17.525	26.190

CITY OF THOMASVILLE, GEORGIA
Principal Taxpayers
Current Year and Nine Years Ago

Taxpayer	2012			2003		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Caterpillar	\$ 18,753,464	1	3.0%	\$ 5,109,887	5	1.2%
Archbold	10,182,305	2	1.6%	9,019,959	1	2.2%
Flowers Baking	7,575,032	3	1.2%	6,963,479	2	1.7%
Textron-TECT	7,525,036	4	1.2%	5,679,541	3	1.4%
Wal-Mart	7,097,460	5	1.1%	-		0.0%
American Signature	6,570,770	6	1.0%	-		0.0%
Lowes	6,148,124	7	1.0%	-		0.0%
Georgia Pipe	6,063,571	8	1.0%	5,412,516	4	1.3%
Tri Development	4,496,276	9	0.7%	-		0.0%
Art Mortgage	4,174,998	10	0.7%	-		0.0%
Capitol Plaza	4,003,550		0.6%	-		0.0%
Bellsouth	3,716,413		0.6%	5,098,052	6	1.2%
Aqua Chem, Inc.	2,796,464		0.4%	2,350,972	9	0.6%
Americold Logistics, Inc.	863,332		0.1%	2,217,235	10	0.5%
Carmar Freezer	-			2,985,960	7	0.7%
Warner Brothers, Inc.	-			2,358,935	8	0.6%
	<u>\$ 89,966,795</u>		<u>11.2%</u>	<u>\$ 47,196,536</u>		<u>10.9%</u>

CITY OF THOMASVILLE, GEORGIA
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
		Amount	Levy		Amount	Levy
2003	7,706,807	6,089,554	79%	1,238,650	7,328,204	95%
2004	8,147,493	6,735,128	83%	890,787	7,625,915	94%
2005	8,652,127	7,274,659	84%	541,919	7,816,578	90%
2006	9,249,519	8,107,913	88%	855,384	8,963,297	97%
2007	9,583,271	7,725,894	81%	864,915	8,590,809	90%
2008	12,700,368	10,350,051	81%	1,535,719	11,885,770	94%
2009	12,589,386	10,681,502	85%	883,556	11,565,058	92%
2010	12,034,459	11,472,328	95%	832,031	12,304,359	102%
2011	10,821,133	10,032,727	93%	1,421,167	11,453,894	106%
2012	10,148,590	8,739,119	86%	1,307,809	10,046,928	99%

CITY OF THOMASVILLE, GEORGIA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years (1)

Fiscal Year	Governmental Activities	Business-Type Activities				Per Capita Personal Income
	Notes Payable	Notes Payable	Revenue Bonds	Capital Leases	Total Primary Government	
2003	6,832,321	11,442,672	1,445,000	3,723,035	23,443,028	747
2004	5,702,972	11,072,016	6,635,000	-	23,409,988	746
2005	5,049,021	14,006,357	5,445,000	-	24,500,378	781
2006	4,500,674	12,910,954	4,230,000	-	21,641,628	690
2007	5,332,788	14,360,829	2,980,000	-	22,673,617	720
2008	5,552,921	12,598,077	1,680,000	-	19,830,998	630
2009	4,664,947	13,429,540	-	-	18,094,487	575
2010	4,601,130	12,370,982	-	-	16,972,112	508
2011	3,405,555	12,482,743	-	-	15,888,298	476
2012	2,468,281	10,705,387			13,173,668	395

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Source: Notes to Financials Statements Note Long Term Debt

CITY OF THOMASVILLE, GEORGIA
Ratios of General Bonded Debt
Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2003	0	0	0	0%	0
2004	0	0	0	0%	0
2005	0	0	0	0%	0
2006	0	0	0	0%	0
2007	0	0	0	0%	0
2008	0	0	0	0%	0
2009	0	0	0	0%	0
2010	0	0	0	0%	0
2011	0	0	0	0%	0
2012	0	0	0	0%	0

CITY OF THOMASVILLE, GEORGIA
Direct and Overlapping Governmental Activities Debt
As of December 31, 2012

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes	\$ -	0%	\$ -
Subtotal, overlapping debt			-
City of Thomasville direct debt			-
Total direct and overlapping debt			\$ -

CITY OF THOMASVILLE, GEORGIA
Legal Debt Margin Information
Last Ten Fiscal Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt Limit	\$ 41,021,601	\$ 43,610,774	\$ 43,866,637	\$ 44,585,139	\$ 45,945,437	\$ 68,446,791	\$ 68,092,746	\$ 68,089,556	\$ 63,542,402	\$ 61,661,957
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 41,021,601</u>	<u>\$ 43,610,774</u>	<u>\$ 43,866,637</u>	<u>\$ 44,585,139</u>	<u>\$ 45,945,437</u>	<u>\$ 68,446,791</u>	<u>\$ 68,092,746</u>	<u>\$ 68,089,556</u>	<u>\$ 63,542,402</u>	<u>\$ 61,661,957</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		

Legal Debt Margin Calculation for Fiscal Year 2012

Assessed value	\$ 616,619,572
Add back: exempt real property	
Total assessed value	<u>\$ 616,619,572</u>
Debt limitations - 10 percent of total assessed value	\$ 61,661,957
Debt applicable to limit:	
General Obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	<u>-</u>
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$ 61,661,957</u>

CITY OF THOMASVILLE, GEORGIA
Pledged-Revenue Coverage
Last Ten Fiscal Years

Sewer Revenue Bonds							
Debt Service Requirements							
Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Principal (1)	Interest	Total	Coverage
2003	5,395,900	4,105,519	1,290,381	210,000	88,456	298,456	4.32%
2004	5,978,516	4,151,921	1,826,595	1,445,000	23,791	1,468,791	1.24%
2005	-	-	-	-	-	-	0.00%
2006	-	-	-	-	-	-	0.00%
2007	-	-	-	-	-	-	0.00%
2008	-	-	-	-	-	-	0.00%
2009	-	-	-	-	-	-	0.00%
2010	-	-	-	-	-	-	0.00%
2011	-	-	-	-	-	-	0.00%
2012	-	-	-	-	-	-	0.00%

(1) Includes defeasement of 1982 water and sewer revenue bonds through 2004. On February 25, 2004, the City redeemed the outstanding Water and Sewer Revenue Bonds, Series 1992, at the redemption price of 101% of the principal plus interest.

CNS Revenue Bonds							
Debt Service Requirements							
Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage
2004	\$ 4,098,409	\$ 3,775,474	\$ 322,935	\$ 905,000	\$ 123,775	\$ 1,028,775	0.31%
2005	5,692,209	5,454,860	237,349	1,190,000	229,450	1,419,450	0.17%
2006	5,163,007	4,479,600	683,407	1,215,000	205,650	1,420,650	0.48%
2007	5,998,412	4,898,352	1,100,060	1,250,000	169,200	1,419,200	0.78%
2008	6,689,505	5,692,136	997,369	1,300,000	119,200	1,419,200	0.70%
2009	7,123,612	6,182,027	941,585	1,680,000	67,200	1,747,200	0.54%
2010	-	-	-	-	-	-	0.00%
2011	-	-	-	-	-	-	0.00%
2012	-	-	-	-	-	-	0.00%

CITY OF THOMASVILLE, GEORGIA
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Per Capita Personal income (1)	Median Age (1)	Education Level In Years of Formal Schooling (1)	School Enrollment (2)	Unemployment Rate (3)
2003	18,162	31,380	36.5	12.5	3,185	3.8%
2004	18,162	31,380	36.5	12.5	3,264	4.3%
2005	18,162	31,380	36.5	12.5	3,368	4.3%
2006	18,162	31,380	36.5	12.5	3,568	4.1%
2007	18,162	31,495	36.5	12.5	3,419	4.0%
2008	18,162	31,495	36.5	12.5	3,569	5.7%
2009	18,162	31,495	36.5	12.5	3,647	8.8%
2010	18,413	33,387	38	12.5	3,785	8.9%
2011	18,413	33,387	38	12.5	3,868	8.3%
2012	18,413	33,387	38	12.5	3,107	7.7%

Data Sources:

(1) Government Census

(2) City of Thomasville Board of Education

(3) Department of Labor

CITY OF THOMASVILLE, GEORGIA
Principal Employers
Current Year and Nine Years Ago

Employer	2012			2003		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Archbold Hospital	2,080	1	9.39%	1,500	1	6.77%
Thomas County Schools	750	2	3.38%	715	3	3.23%
Southwestern State Hospital	691	3	3.12%	786	2	3.55%
Thomasville City/Utilities	447	4	2.02%	379	6	1.71%
Thomasville City Schools	405	5	1.83%	458	5	2.07%
Thomas County Government	402	6	1.81%	275	8	1.24%
Flowers Baking	275	7	1.24%	-	-	-
SWGA Technical College	213	8	0.96%	240	10	1.08%
Siemens / US Filter	187	9	0.84%	-	-	-
Cleaver Brooks	345	10	1.56%	-	-	-
Thomas University	-	-	-	480	4	2.17%
Georgia Pines	-	-	-	368	7	1.66%
TECT	-	-	-	247	9	1.11%
	<u>5,795</u>		<u>25.78%</u>	<u>5,201</u>		<u>23.47%</u>

Source: City Clerk

CITY OF THOMASVILLE, GEORGIA
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Name of Department	Full-time Equivalent Employees as of December 31								
	2004	2005	2006	2007	2008	2009	2010	2011	2012
Airport	5	5	5	7	6	6	7	7	7
City Clerk	1	1	1	1	1	1	1	1	1
City Council	5	5	5	5	5	5	5	5	5
City Manager	2	2	2	2	2	2	2	2	2
Customer Service	35	31	35	33	37	37	36	37	36
Civil Engineers	7	8	7	7	8	7	7	7	7
Risk Management	3	3	2	2	2	2	2	3	3
Financial Services	6	6	8	7	8	8	6	7	7
Shop	-	-	-	-	1	1	2	8	8
Fire Department	43	43	42	40	42	43	42	42	39
Golf	3	3	3	3	3	6	6	6	6
Human Resources	3	3	3	3	3	3	3	3	3
Landfill	7	7	7	7	7	7	6	6	6
Tourism	-	2	2	2	2	2	2	2	3
Main Street	3	2	3	3	3	3	4	4	3
Service Department	8	8	5	8	8	8	8	7	7
Planning & Zoning	8	8	8	8	10	9	8	9	8
Police Department	63	64	65	68	67	64	68	67	68
Sanitation	21	20	19	20	22	22	22	23	23
Streets & Grounds	17	17	17	17	18	20	23	24	24
Purchasing	2	1	1	2	2	2	2	1	1
Warehouse	2	2	2	2	2	2	2	2	2
CNS	29	25	25	27	31	30	31	27	29
ECC	8	9	8	8	9	9	9	9	10
Electric Department	22	21	21	20	21	26	26	25	25
Electric Engineers	10	4	4	5	4	5	5	5	5
Information Systems	12	14	14	14	14	19	19	17	17
Marketing	5	8	9	9	10	10	10	10	11
Rose.Net	7	6	6	6	6	7	7	7	7
Sewer	9	14	13	15	17	18	18	17	17
Gas	6	11	10	9	9	10	7	10	9
Technical Services	12	12	12	12	14	13	13	15	15
Water	12	12	11	18	19	19	19	19	19
WPCP	12	12	13	15	15	14	14	14	14
Total	388	389	388	405	428	440	442	448	447

Source: Payroll Department

CITY OF THOMASVILLE, GEORGIA
Operating Indicators by Function
Last Ten Fiscal Years (1)

Function	Fiscal Year								
	2004	2005	2006	2007	2008	2009	2010	2011	2012
Police									
Criminal Arrests	1,345	1,279	1,296	1,324	1,480	1,649	1,893	1,789	1,846
Parking violations	39	38	40	42	16	11	31	33	35
Traffic violations	4,219	5,877	908	1,547	1,789	1,984	7,427	1,211	6,212
Fire									
Number of calls answered	1,271	1,179	1,290	1,391	1,304	1,155	1,156	1,118	1,307
Inspections	517	589	524	540	410	432	589	412	224
Highways and streets									
Streets resurfacing (miles)	1.44	1.33	1.27	1.28	1.17	1.35	1.12	1.03	0.87
Sanitation									
Refuse collected (tons)	6,062	6,191	6,216	6,358	6,548	6,798	6,897	6,987	6,258
Recyclables collected (tons)	995	912	1,637	1,789	2,254	3,250	3,578	4,200	3,800
Water									
All new taps	306	253	382	275	226	130	62	78	261
Water main breaks	10	47	26	21	49	23	23	15	19
Average daily consumption (thousands of gallons)	4,700	4,403	4,608	4,563	5,304	4,570	4,785	4,680	4,900
Wastewater									
Average daily sewage treatment (thousands of gallons)	4,000	4,980	3,433	4,259	3,975	3,780	4,000	2,900	3,100

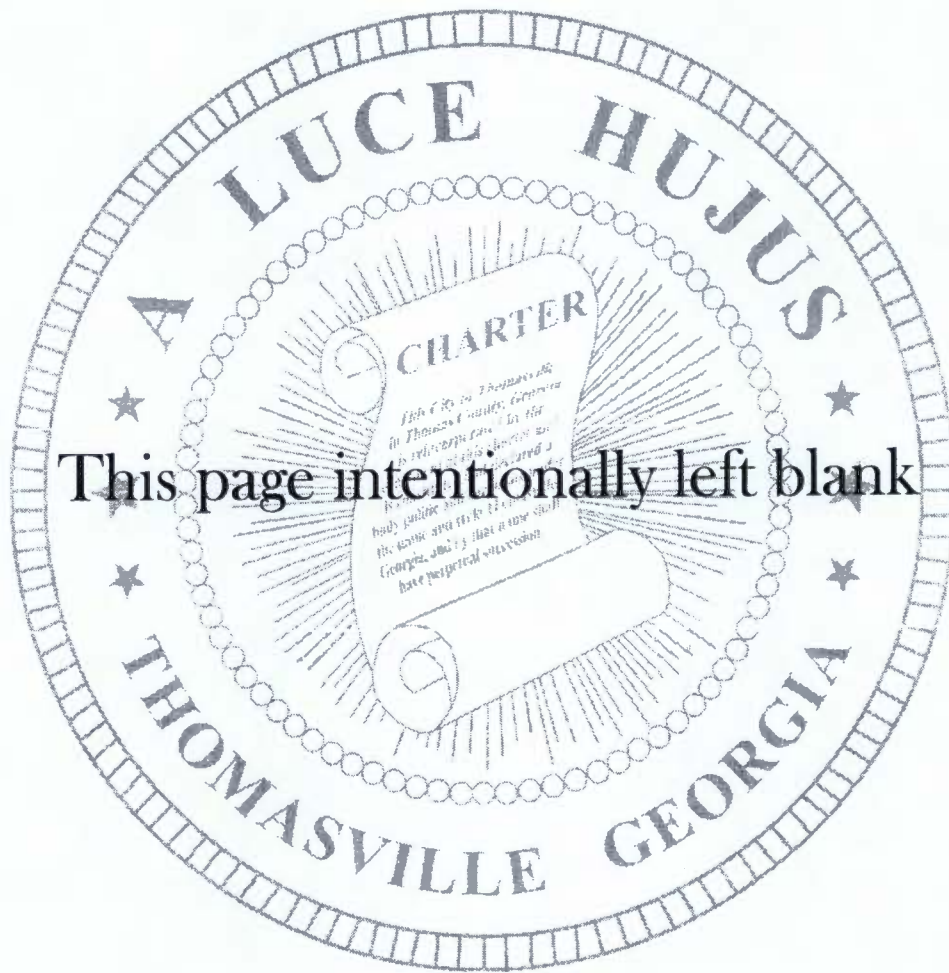
(1) Information for prior years not readily available

Sources: Various city departments

CITY OF THOMASVILLE, GEORGIA
Capital Asset Statistics by Function
Last Ten Fiscal Years (1)

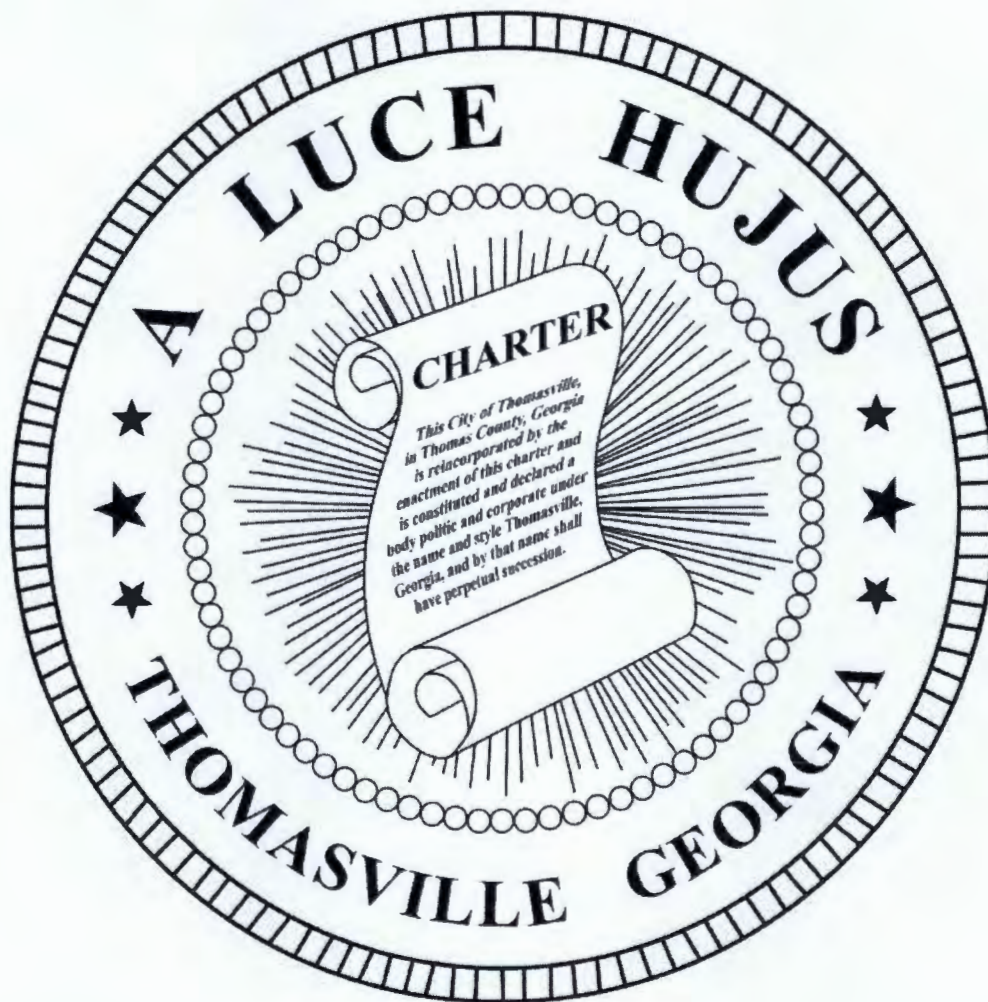
Function	Fiscal Year								
	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public safety									
Police:									
Stations	1	1	1	1	1	1	2	2	2
Patrol units	58	59	59	59	59	59	60	60	60
Fire Stations	3	3	3	3	3	3	3	3	3
Sanitation									
Collection trucks	23	23	25	25	25	25	25	25	25
Highways and streets									
Streets (miles)	134	134	134	134	134	134	134	134	144
Streetlights	2,460	2,472	2,486	2,498	2,519	2,821	2,822	2,822	2,739
Culture and recreation									
Parks acreage	236	236	236	236	236	237	237	237	319
Parks	10	10	10	10	10	11	11	11	17
Tennis courts	13	13	13	13	13	13	13	13	13
Community centers	1	1	1	1	1	1	1	1	1
Water									
Water mains (miles)	220	229	245	246	248	250	251	251	260
Fire hydrants	1,059	1,079	1,129	1,136	1,168	1,254	1,255	1,255	1,411
Maximum daily capacity (thousands of gallons)	7,400	8,000	8,000	8,000	9,000	9,000	9,000	9,000	8,000
Sewer									
Sanitary sewers (miles)	162	162	162	162	163	164	165	165	178
Maximum daily treatment capacity/design(thousands of gallons)	6,400	6,400	6,400	6,400	6,500	6,500	6,500	6,500	6,500
Electric									
Number of distribution stations	9	9	9	9	9	9	9	9	9
Miles of service lines	600	600	600	600	600	600	600	600	600

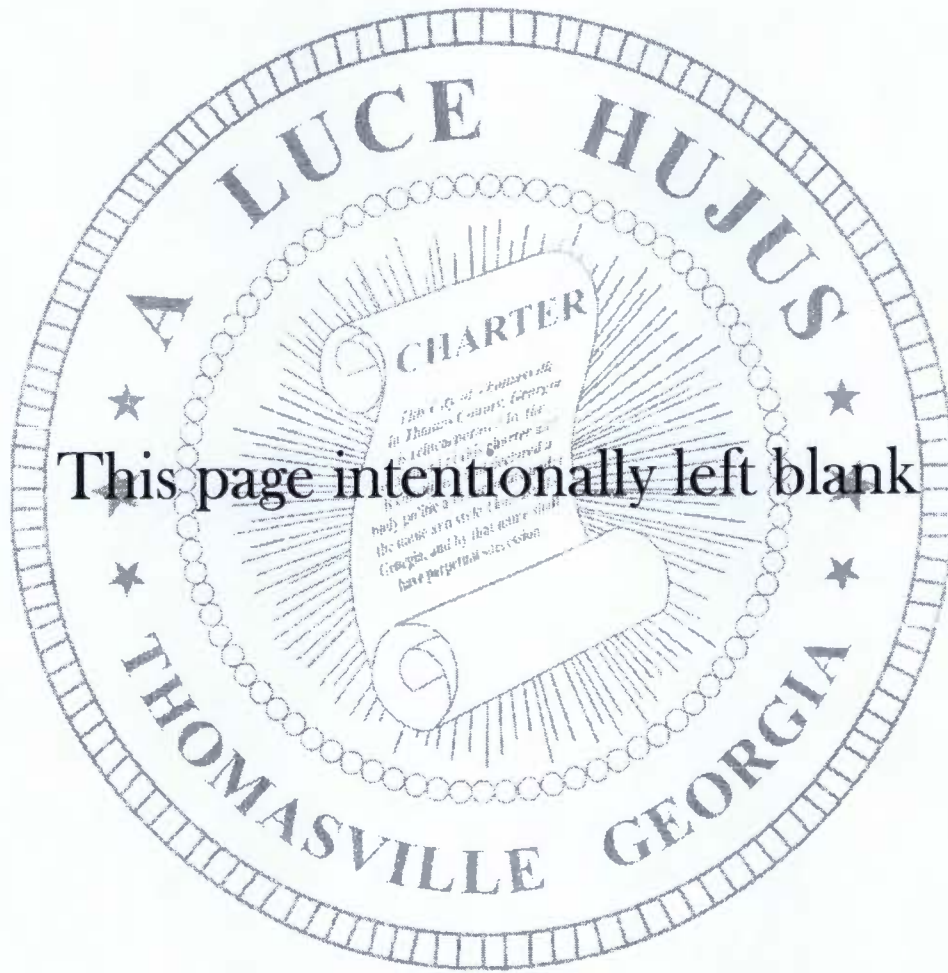
(1) Information for prior years not readily available
Sources: Various city departments



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Other Financial Information





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**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

The Honorable Mayor and Members
of the City Council
City of Thomasville, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Thomasville, Georgia (the "City"), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise City of Thomasville, Georgia's basic financial statements, and have issued our report thereon dated June 20, 2013.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Thomasville, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Thomasville, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal controls.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency: **2012-2**.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Thomasville, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item **2012-1**.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lanigan & Associates, P.C.

Thomasville, Georgia
June 20, 2013

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

The Honorable Mayor and Members
of the City Council
City of Thomasville, Georgia

Report on Compliance for Each Major Federal Program

We have audited City of Thomasville, Georgia's (the "City") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of City of Thomasville, Georgia's major federal programs for the year ended December 31, 2012. City of Thomasville, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Thomasville, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City of Thomasville, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of City of Thomasville, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, City of Thomasville, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

Report on Internal Control Over Compliance

Management of City of Thomasville, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City of Thomasville, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City of Thomasville, Georgia's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Laniga & Associates, P.C.

Thomasville, Georgia
June 20, 2013

CITY OF THOMASVILLE, GEORGIA
Schedule of Findings and Questioned Costs
for the year ended December 31, 2012

Section I – Summary of Auditors’ Results

1. Type of Audit Report issued on the Financial Statements:

Unqualified Opinion.

2. Significant Deficiencies and/or Material Weaknesses in Internal Control:

Audit disclosed significant deficiency item 2012-2 in internal control. Audit disclosed no material weaknesses.

3. Noncompliance Material to Audited Financial Statements:

Audit disclosed item 2012-1 that is required to be reported.

4. Significant Deficiencies and/ or Material Weaknesses in Internal Control Over the Major Programs:

Audit disclosed no significant deficiencies or material weaknesses in internal control over the major programs.

5. Type of Audit Report Issued on Compliance with Requirements Applicable to the Major Programs:

Unqualified Opinion

6. Audit Findings Relative to Section .510(a) of OMB Circular A-133:

Audit disclosed no findings required to be reported under Section .510(a) of OMB Circular A-133.

7. Major Federal Programs:

Federal-Aid Highway Program – CDFA# 20.205

8. Threshold:

The threshold for distinguishing Type A or Type B programs was \$300,000.

9. Auditee Risk Assessment:

The entity does qualify as a low risk auditee.

CITY OF THOMASVILLE, GEORGIA
Schedule of Findings and Questioned Costs
for the year ended December 31, 2012

Section II – Financial Statement Findings

2012-1 Budgetary Compliance

Criteria: The City is required to adopt a budget for each fund that may not be exceeded at fund level without approval by the City Council.

Condition: Our comparison of the total expenditures/expenses in each of the City's funds to total appropriations, as presented below, highlights expenditures/expenses in excess of total appropriations, contrary to OCGA 36-81-3(d)(1):

Cause: Management did not obtain amendments to the budget prior to year-end.

Effect: As a result, expenditures exceeded the legally adopted budget.

Auditor's Recommendation: The City should obtain approval to amend the budget in situations where expenditures exceed budget.

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Enterprise Funds			
Electric	\$ 52,237,974	\$ 56,631,636	\$ (4,393,662)
Water and Sewer	8,723,782	9,029,421	(305,639)
Sanitation	4,890,305	5,114,247	(223,942)
Rose.net	4,033,205	4,058,078	(24,873)
Golf	900,560	989,765	(89,205)
Internal Service Funds			
Marketing	\$ 771,996	\$ 810,918	\$ (38,922)
City Shop	2,353,337	2,787,142	(433,805)
Human Resources	393,590	397,502	(3,912)
Self-Insurance	5,770,365	7,120,948	(1,350,583)
Building Maintenance	87,935	89,782	(1,847)
Purchasing	110,832	117,882	(7,050)
Governmental			
General	\$ 14,955,288	\$ 15,470,579	\$ (515,291)
Asset Forfeiture	63,625	136,684	(73,059)
Economic Development	-	70	(70)
Parks and Recreation	1,576,138	1,651,991	(75,853)
Multiple Grants	150,000	808,685	(658,685)
Street Paving	36,379	45,065	(8,686)

Section II – Financial Statement Findings (Continued)

Management's Response: The operating budgets are monitored on a monthly basis. In the future, we will provide budget amendments to the Council for consideration based on preliminary financial statements within 45 days of year end and within 45 days after completion of the audit.

2012-2 – Reconciliation of Internal Receivables and Payables ("Due To/From")

Criteria: Internal balances and activity should be reconciled on a routine basis.

Condition: It was noted during our audit that the internal receivables and payables did not balance at year-end. As a result, adjusting journal entries were posted during the audit in order to correct these balances.

Cause: Failure to reconcile internal receivable and payables on a monthly basis can lead to errors in the monthly financial statements and the annual year-end financial statements.

Effect: Without a formal policy of balancing these accounts, there is an increased level of risks that general ledger accounts can be misstated.

Auditor's Recommendation – We recommend management establish and implement a formal process of balancing these accounts on a monthly basis. Each month, prior to the issuance of the financial statements, the Chief Financial Officer should verify that this task was successfully performed.

Classification – Significant Deficiency

Management's Response – The City will establish procedures to balance and reconcile the due to/due from on a monthly basis.

Section III – Federal Awards Findings and Questioned Costs

None Reported.

Section IV – Prior Year Federal Award Audit Findings

None Reported.

CITY OF THOMASVILLE, GEORGIA
Schedule of Expenditures of Federal Awards
for the year ended December 31, 2012

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grantor's Number	Federal Expenditures
PRIMARY GOVERNMENT			
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Pass-through Georgia Department of Community Affairs:			
Community Development Block Grant (CDBG)/ State's Program and Non-Entitlement Grants in Hawaii	14.228	RD-10D-X-136-2-5337	\$ 16,810
Community Development Block Grant (CDBG)/ State's Program and Non-Entitlement Grants in Hawaii	14.228	09P-X-136-2-5120	41,838
Community Development Block Grant (CDBG)/ State's Program and Non-Entitlement Grants in Hawaii	14.228	10B-X-136-2-5283	<u>36,187</u>
Total Community Development Block Grant (CDBG)/State's Program			94,835
Home Investment Partnerships Program	14.239	09MR-X-136-2-6027	<u>10,553</u>
Total US Department of Housing and Urban Development			<u>105,388</u>
U.S. DEPARTMENT OF JUSTICE			
Bulletproof Vest Partnership Program	16.607		<u>4,764</u>
U.S. DEPARTMENT OF TRANSPORTATION			
Pass-through Georgia Department of Transportation:			
Federal-Aid Highway Program	20.205	TEE-0006-00(550)	<u>577,271</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY			
Pass-through Georgia Environmental Finance Authority			
State Revolving Funds (Drinking Water) Program	66.468	GEFA DWSRF10-013	<u>103,491</u>
Total Federal Grants			<u>\$ 790,914</u>

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Thomasville, Georgia and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

CITY OF THOMASVILLE, GEORGIA
Community Development Block Grant Program Project Cost Schedule
for the year ended December 31, 2012

Award No.

09p-x-136-2-5120

<i>Col. 1</i>	<i>Col. 2</i>	<i>Col. 3</i>	<i>Col. 4</i>	<i>Col. 5</i>	<i>Col. 6</i>	<i>Col. 7</i>
Program Activity	CDBG Activity Number	Latest Approved Budget (CDBG Funds)	Accumulative CDBG Expenditures To Date	Accumulative Expenditures To Date (Other Funds)	Grand Total of Expenditures To Date (Col. 4 + 5)	Questioned Costs (Explain in Remarks)
Acquisition of Property	001-00	\$0	\$0	\$0	\$0	\$0
Street Improvements	03k-01	\$470,000	\$319,110	\$0	\$319,110	\$0
Flood Drainage	03k-02	\$0	\$0	\$0	\$0	\$0
Rehabilitation of Private Properties	14a-01	\$0	\$0	\$0	\$0	\$0
General Administration	21a-00	\$30,000	\$27,000	\$0	\$27,000	\$0
Contingencies	022-00	\$0	\$0	\$0	\$0	\$0
TOTAL		\$500,000	\$346,110	\$0	\$346,110	\$0

Source(s) of Other Funds:

City of Thomasville, Georgia

CITY OF THOMASVILLE, GEORGIA
Community Development Block Grant Program Project Cost Schedule
for the year ended December 31, 2012

Award No.

10b-x-136-2-5283

<i>Col. 1</i>	<i>Col. 2</i>	<i>Col. 3</i>	<i>Col. 4</i>	<i>Col. 5</i>	<i>Col. 6</i>	<i>Col. 7</i>
Program Activity	CDBG Activity Number	Latest Approved Budget (CDBG Funds)	Accumulative CDBG Expenditures To Date	Accumulative Expenditures To Date (Other Funds)	Grand Total of Expenditures To Date (Col. 4 + 5)	Questioned Costs (Explain in Remarks)
Acquisition of Property (Public)	H-001-01	\$110,000	\$109,750	\$0	\$109,750	\$0
Relocation Payments**	H-008-00	\$10,204	\$0	\$0	\$0	\$0
Site Development	H-008-00	\$5,500	\$0	\$0	\$0	\$0
Homebuyer Education	H-003-05	\$2,975	\$1,700	\$0	\$1,700	\$0
Downpayment / Closing Cost	H-013-00	\$52,710	\$30,000	\$0	\$30,000	\$0
Contingencies	C-022-00	\$57,459	\$0	\$0	\$0	\$0
Project Management	P-03K-01	\$392,747	\$0	\$0	\$0	\$0
Flood and Drainage Facilities	P-03K-02	\$17,505	\$0	\$0	\$0	\$0
Pedestrian Walkways	P-03L-00	\$117,104	\$0	\$0	\$0	\$0
Rehabilitation Private Properties	H-14A-01	\$33,796	\$33,796	\$0	\$33,796	\$0
TOTAL		\$800,000	\$175,246	\$0	\$175,246	\$0

Source(s) of Other Funds:

City of Thomasville, Georgia

CITY OF THOMASVILLE, GEORGIA
Schedule of Special Purpose Local Option Sales Tax
for the year ended December 31, 2012

Project Description	Estimated Cost		Prior Years	Expenditures	
	Original	Current		Current Year	Total
Per SPLOST 2001 Referendum:					
Roads, Streets and Bridges	\$ 7,035,070	\$ 7,988,230	\$ 6,347,737	\$ 11,700	\$ 6,359,437
Total expenditures			\$ 6,347,737	\$ 11,700	\$ 6,359,437

Project Description	Estimated Cost		Prior Years	Expenditures	
	Original	Current		Current Year	Total
Per SPLOST 2006 Referendum:					
A. Construction of a County Wide Radio System	\$ 2,750,000	\$ 3,785,524	\$ 3,785,524	\$ -	\$ 3,785,524
B. Recreation Facility Improvements	1,000,000	1,025,415	743,759	281,656	1,025,415
C. Storm Water Improvements	6,481,250	6,481,250	1,713,809	739,989	2,453,798
Total expenditures	\$ 10,231,250	\$ 11,292,189	\$ 6,243,092	\$ 1,021,645	\$ 7,264,737

Note A: The SPLOST Schedule has been prepared on the modified accrual basis of accounting.